

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ending June 30, 2021



Tigard-Tualatin School District 23J
Washington County • Tigard • Oregon

Tigard-Tualatin School District 23J
Washington County, Tigard, Oregon

Comprehensive Annual Financial Report

For the fiscal year ended
June 30, 2021

Prepared by:
Office of Budget and Finance

Tigard-Tualatin School District 23J
Washington County, Tigard, Oregon
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2021

TABLE OF CONTENTS

I. INTRODUCTORY SECTION

| | |
|--|---|
| Letter of Transmittal..... | 1 |
| Certificate of Achievement..... | 7 |
| Organizational Chart..... | 8 |
| List of Elected and Appointed Officials..... | 9 |

II. FINANCIAL SECTION

Independent Auditors' Report

| | |
|-----------------------------------|----|
| Independent Auditors' Report..... | 12 |
|-----------------------------------|----|

Management's Discussion and Analysis

| | |
|---|----|
| Management's Discussion and Analysis..... | 17 |
|---|----|

Basic Financial Statements

Government-wide Financial Statements:

| | |
|--------------------------------|----|
| Statement of Net Position..... | 30 |
| Statement of Activities..... | 31 |

Fund Financial Statements:

| | |
|---|----|
| Balance Sheet - Governmental Funds..... | 32 |
| Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position..... | 33 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds..... | 34 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities..... | 35 |
| Statement of Proprietary Net Position..... | 36 |
| Statement of Changes in Proprietary Net Position..... | 37 |
| Proprietary Funds Statement of Cash Flows..... | 38 |
| Statement of Fiduciary Net Position..... | 39 |
| Statement of Changes in Fiduciary Net Position..... | 39 |

| | |
|--|----|
| Notes to the Basic Financial Statements..... | 40 |
|--|----|

Required Supplementary Information

| | |
|---|----|
| PERS Schedule of the Proportionate Share of the Net Pension Liability & Contributions..... | 82 |
| Schedule of Changes in Other Post-Employment Benefits in Liability - RHIA & Related Ratios..... | 83 |
| Schedule of Changes in Total Pension Liability & Related Ratios Stipend Benefits..... | 84 |
| Schedule of Changes in Total Other Post-Employment Benefits Liability Health Insurance Subsidy..... | 85 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual - General Fund..... | 86 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual - Special Revenue Fund..... | 87 |

Tigard-Tualatin School District 23J
 Washington County, Tigard, Oregon
 Comprehensive Annual Financial Report
 Fiscal Year Ended June 30, 2021

TABLE OF CONTENTS

Supplementary Information

| | |
|--|----|
| Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual - General Obligation Bond Debt Service Fund | 90 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual - Full Faith and Credit and Lease Obligation Fund..... | 91 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual - Pension Bond Series 2007 Debt Service Fund..... | 92 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual - Capital Projects Fund | 93 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual - Internal Service Fund | 94 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual - Early Retirement | 95 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual - Scholarship Fund | 96 |
| Schedule of Property Tax Transactions | 97 |
| Schedule of Expenditures of Federal Awards | 98 |

III. STATISTICAL SECTION

| | |
|--|-----------|
| Statistical Section Table of Contents | 99 |
| Financial Trends: | |
| Condensed Statement of Net Position (Last Ten Years) | 100 |
| Changes in Net Position (Last Ten years)..... | 101 |
| Fund Balances - Governmental Funds (Last Ten Years)..... | 102 |
| Change in Fund Balances - Governmental Funds (Last Ten Years) | 103 |
| Revenue Capacity: | |
| Assessed Values of Taxable Property (Last Ten years) | 104 |
| Direct and Overlapping Property Tax Rates (Last Ten Years)..... | 105 |
| Principal Property Taxpayers (Current Year and Nine Years Ago)..... | 106 |
| Property Tax Levies and Collections (Last Ten Fiscal years) | 107 |
| Debt Capacity: | |
| Ratios of General Bonded Debt Outstanding (Last Ten Fiscal Years)..... | 108 |
| Outstanding Debt by Type (Last Ten Fiscal Years) | 109 |
| Direct and Overlapping Governmental Activities Debt (As of June 30, 2021)..... | 110 |
| Legal Debt Margin Information (Last Ten Fiscal Years)..... | 111 |
| Demographic and Economic Information: | |
| Demographic and Economic Statistics (Last Ten Calendar Years) | 112 |
| Principal Employers (current year plus last Nine Fiscal years) | 113 |
| Operating Information: | |
| Full-time-Equivalent District Employees by Type (Last Eight Fiscal Years)..... | 114 |
| Operating Statistics (Last Ten Fiscal Years) | 115 |
| Teacher Base Salaries (Last Ten Fiscal Years)..... | 116 |
| School Building Information (Last Ten Fiscal Years) | 117 |

Tigard-Tualatin School District 23J
Washington County, Tigard, Oregon
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2021

TABLE OF CONTENTS

IV. REQUIRED SCHEDULES, AUDIT COMMENTS AND DISCLOSURES

Schedules Required by Oregon Department of Education

Oregon Department of Education Supplemental Information 122
Audit Revenue Summary 123

Audit Expenditures Summaries:

Fund 100 124
Fund 200 125
Fund 300 126
Fund 400 127
Fund 600 128
Fund 700 129

Audit Comments and Disclosures Required by State Regulations

Auditors' Comments and Disclosures 133

V. GRANT COMPLIANCE

Independent Auditors' Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards 135
Independent Auditors' Report on Compliance for Each Major Program and Internal
Control Over Compliance Required by the Uniform Guidance 137
Schedule of Findings and Questioned Costs 139

INTRODUCTORY SECTION



Tigard - Tualatin School District 23J
Larry Hibbard Administration Center
6960 SW Sandburg Street
Tigard, Oregon 97223
503-431-4000; FAX: 503-431-4047
www.ttsdschools.org

December 22, 2021

To the Board of Directors and Residents of
Tigard-Tualatin School District 23J
Tigard, Oregon

Oregon Municipal Audit Law requires that an independent audit be made of all district funds within six months following the close of the fiscal year. Pursuant to this requirement, the Comprehensive Annual Financial Report of Tigard-Tualatin School District 23J, Washington County, Oregon (the District), for the fiscal year ended June 30, 2021, is hereby submitted.

The District's Office of Budget and Finance prepared this Comprehensive Annual Financial Report. Management assumes full responsibility for the completeness and reliability of all the information presented in this report based on a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Tigard-Tualatin School District 23J financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

INDEPENDENT AUDIT

The District's financial statements have been audited by the firm of Pauly, Rogers and Co., P.C., of Tigard, Oregon, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Tigard-Tualatin School District 23J's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Tigard-Tualatin School District 23J was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. The results of the District's single audit for the fiscal year ended June 30, 2021, provide no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

THE DISTRICT

Tigard-Tualatin School District 23J is the 9th largest school district based on enrollment in Oregon and the 5th largest in the Portland metropolitan area. The District includes 2 comprehensive high schools, a

community high school, 3 middle schools, 10 elementary schools, a K-12 virtual academy, and a District-sponsored charter school. The District serves the communities of Durham, Metzger, King City, and Bull Mountain, as well as Tigard and Tualatin.

The District includes approximately 34 square miles in Washington and Clackamas counties, comprising the southwestern portions of the Portland Metropolitan Area, and has an estimated population of 90,383. The District has grown from five schools serving 4,654 students in 1969, to 17 schools, and a District-sponsored charter school, serving approximately 12,000 students. State law requires the District distribute 80% of State School Fund Grant money paid for the charter school students to the charter school. The charter school also raises funds from families and other fundraising activities. The charter school is not a component unit of the District under GASB 61.

A five-member Board of Directors, elected to four-year overlapping terms by the voters residing within district boundaries, governs the Tigard-Tualatin School District 23J. The duties of the Board include setting policy, reviewing expenditures, appointing the Superintendent, and hiring, terminating, and approving resignations of all certified and administrative staff members. The Board also constitutes one-half of and appoints the five citizen members of the Budget Committee.

The Board of Directors appointed the Financial Oversight Committee conducts an annual review of the District's system of internal controls and any recommendations or findings that result from the District's annual financial audit. The committee is advisory to the Board of Directors. The committee is comprised of five members; two from the Board and three from the community-at-large.

Beginning in 2016-17, the District implemented a five-year Strategic Plan. The plan focuses on immediate outcomes that will improve learning and the educational experience for all district students and their families.

The Strategic Plan is built upon the four Cornerstones of:

- Student Achievement – We prepare students for success in a rapidly changing world.
- Equity – We believe that success is a reflection of high expectations and belief in all students.
- Talent – We hire, support, and retain catalysts for learning.
- Climate & Culture – We create and nurture a school community where everyone feels safe, valued, and connected.

Strategies for achieving the plan include identifying and implementing teaching practices that are most effective for improving student learning.

Beginning in 2019-20, the District also identified the following strategic priorities to support and operationalize the four Cornerstones of the Strategic Plan:

- Culturally/Community Responsive Teaching & Leadership – We work in collective community with high expectations and belief in all students using culturally responsive instruction.
- Social Emotional Learning – We create a nurturing school community where every individual student feels safe, valued, and responsibly prepared for a rapidly changing world.
- Human Capital – We will hire, support, and retain talented staff as catalysts for learning.

In early 2022, the Board and District leadership will kick off a strategic planning process with the community to renew the Strategic Plan for another five years beginning in 2022-23.

In 2020-21, approximately 31 community members volunteered an estimated 1,746 hours in district classrooms. These volunteers include parents who serve on school site councils and PSO boards;

retirees who volunteer to listen to students read; business people who share their knowledge and provide job sites for high school students; and community members who serve on district committees. Volunteer numbers and time were down significantly from prior years since brick and mortar schools were shutdown to volunteers during comprehensive distance and hybrid learning in 2020-21. The District just recently reopened schools to volunteers in the current school year.

In mid-March of 2020, the District temporarily shut down schools due to the COVID-19 pandemic and Oregon's Governor soon followed with a more permanent shutdown directive through the end of the school year. The District quickly pivoted and implemented online learning through the end of the school year. Going into the 2020-21, the District planned for hybrid learning under the Ready Schools, Safe Learners guidance from the Oregon Department of Education. However, as the start of the school year neared, public health metrics had not improved enough for safe in-person instruction so the District began the year in Comprehensive Distance Learning (CDL) and students and teachers continued in CDL through March of 2021. At that point, approximately 60 percent of students returned to hybrid instruction while about 40 percent continued in full CDL through the end of the school year. Approximately 750 students expected in the 2020-21 school year exited Tigard-Tualatin schools and attended school elsewhere or delayed enrollment. This includes attending other school districts in or out of state, attending online charter schools, attending home school or delaying the enrollment of kindergarteners by parents.

Tigard-Tualatin students returned to full in-person instruction in the fall of 2021. The District had expected that the students that exited in the fall of 2020 would return this fall, but the District's enrollment is down a similar number. To accommodate those families and student that were not ready to return to full in-person instruction, the District opened a K-12 virtual academy. Approximately 600 students shifted from the District's brick and mortar schools to the virtual academy.

In response to the COVID-19 pandemic and in preparation for students' return to in-person learning this fall, the State of Oregon allocated funds to school districts for summer learning and related child care services. In Tigard-Tualatin, 1,015 K-8 students attended enrichment activities, 38 high school students accessed credit recovery programs, and 120 students attending summer enrichment also received child care services. The State of Oregon funded the grants dedicated to these programs through the Oregon Department of Education. Tigard-Tualatin also used special education and Measure 98 grants to fund summer programs for eligible students.

LOCAL ECONOMY

The Tigard-Tualatin School District 23J is located in northwestern Oregon in Washington and Clackamas counties. Washington and Clackamas counties are part of the Portland-Vancouver-Hillsboro OR-WA Metropolitan Statistical Area (MSA). The metropolitan Portland-Vancouver area includes five of Oregon's thirty-six counties: Clackamas, Columbia, Multnomah, Washington, Yamhill, and Clark and Skamania Counties in the state of Washington. According to the US Census Bureau, Multnomah and Washington counties together include a third of the State of Oregon's population. Economic and demographic data is not available specifically for the District; however, the data is generally available for Washington County and the MSA.

Washington County's economic base has traditionally been centered in agriculture, lumber, manufacturing, food processing, and electronics. The early economy of the Washington County area grew as a result of fertile agricultural and timberlands and its access to the Willamette and Columbia rivers. The County's developed regions are home to traditional suburban and new mixed-use neighborhoods, electronic leaders such as Intel, IBM, and Tektronix, and world headquarters for both Nike and Columbia Sportswear. Despite its rapid development, the county still contains prime agricultural land and a strong agricultural economy with nurseries, wineries, and other farm and forest enterprises. More than 75 percent of the County's agricultural and forestlands have been preserved through careful land-use management of residential and industrial growth. Washington County covers 727 square miles, includes a population of 600,372 in unincorporated areas and 16 incorporated cities, such as Beaverton, Hillsboro, Tigard, and Tualatin, as well as a portion of the City of Portland, as reported by the U.S. Census Bureau as of April 1, 2020.

Tigard-Tualatin School District is the second largest employer within the school district's boundaries. The

non-seasonally adjusted unemployment rate for Washington County on June 30, 2021 was 4.4 percent compared to 9.2 percent on June 30, 2020 and the Oregon rate was 5.2 percent on June 30, 2021 compared to 10.4 percent on June 30, 2020. These significant year-to-year decreases in unemployment rates are the result of the reopening of the economy after the drastic shutdown during the early stages of the COVID-19 pandemic in 2020.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The Tigard-Tualatin School District 23J has a long history of strong voter and community support. During the last 26 years, district voters have approved all but three school tax measures. In November 2008, voters approved a renewal of the Local Option Tax of \$1.00 per \$1,000 of assessed valuation for another 5 years beginning with the 2010-11 fiscal year. In November of 2014, the levy was renewed for another five years beginning with the 2015-16 fiscal year. At the time the levy was passed it was expected to raise \$24 million over five years or approximately \$5 million per year to continue funding for approximately 55 classrooms teachers and classroom programs funded by the expiring levy, protect class sizes supported by the expiring levy, and assist local schools by supplementing insufficient state funding.

Since the levy was approved, annual local option levy collections have exceeded estimates with the District on pace to meet the five-year estimate of \$24 million early in the fourth year. The 2015-16 collections of \$6.8 million exceeded budgetary expectation by \$500,000, the 2016-17 collections of \$7.8 million exceeded the budget by \$1.1 million, the 2017-18 collections of \$8.6 million exceeded the budget by \$200,000, the 2018-19 collections of \$9.2 million exceeded the budget by \$380,000, the 2019-20 collections of \$9.44 million exceeded the budget by \$173,000, and the 2020-21 collections of \$10 million exceeded the budget by \$740,000. The 2021-22 levy has been made available and the District estimates collections will slightly exceed the initial estimate for 2021-22 of \$10 million. In November 2018, District voters renewed the Local Option Tax for another five years beginning in 2020-21 and the District estimated the five-year levy would raise \$50 million to continue paying approximately 100 teachers each year and maintaining classroom programs under the expiring levy. Due to the uncertainty of the housing market and property values, the level of this revenue in future years will remain difficult to predict.

The legislature allocated a State School Fund amount of \$9 billion for the 2019-21 biennium. At the time the 2020-21 budget was developed, the District expected to draw down reserves by over \$9 million in order to balance the budget due to an inadequate State School Fund level. Instead, reserves grew by approximately \$6 million during 2020-21. This was due to starting the year with a beginning fund balance \$2 million more than budgeted and cost savings of \$13 million primarily due to students and staff being in comprehensive distance learning due to the pandemic for most of 2020-21.

In addition to the \$9.0 billion for the State School Fund in 2019-21, the legislature allocated half of the \$2 billion from the Student Success Act to the Student Investment Account. Beginning in 2019-20, the District was to receive up to \$10 million annually for targeted investments specified in the District's application submitted in March 2020. The application was submitted following the outcome of a community engagement process required under the Student Success Act. Due to the pandemic's impact on the state economy, receipt of the Student Investment Account funds has been delayed until 2020-21 and the dollar amount was much less, approximately \$3.2 million.

During 2020-21, Tigard Tualatin also expended approximately \$3.5 million in federal emergency COVID-relief grants through the CARES and ARPA acts for educational, operational, and childcare needs. The District will continue to access funds from the CRRSA and ARPA grants for similar needs over the next three years.

For the 2021-23 biennium, the legislature allocated a State School Fund amount of \$9.3 billion. At the time of legislative approval this amount was not sufficient to cover the District's current service level needs in the current biennium, but the District finished 2020-21 with higher ending fund balances than expected that allowed the District to close the operating gap in the current biennium with reserves while still meeting the targeted contingency and reserves per Board policy (12% of operating revenues).

For 2021-22, the District has been allocated approximately \$9.2 million from the Student Investment Account, which is much closer to the \$10 million targeted following passage of the legislation.

In addition to the implementation of the new Strategic Plan in 2016-17, the District's Board adopted the first version of the District's Strategic Financial Plan in 2017 and adopted the second, third, fourth, and fifth versions in 2018, 2019, 2020, and 2021. The Strategic Financial Plan describes investments that support the work of the Strategic Plan while linking the development of the annual budget with the Strategic Plan.

In November 2016, district voters approved a bond issue in the amount of \$291.3 million to build, renovate and improve school facilities and provide technology and curriculum. The District issued the first set of authorized bonds in April 2017 in the amount of \$200,955,000. Premium of \$31 million was also realized on the bond sale and total proceeds net of bond issuance costs were \$231.6 million. The next series of authorized bonds were issued in June 2019 in the amount of \$90.36 million. Additional premium of \$21.9 million was realized on the second issue. Construction began on bond projects in the spring of 2017 and will continue through 2023.

RELEVANT FISCAL POLICIES

Budgetary Controls

The District annually prepares a budget in accordance with requirements prescribed in the Oregon Revised Statutes. The objective of the District's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Directors. Activities of all funds are included in the annual appropriated budget.

A summary of the approved budget, together with a notice of public hearing, is published in a newspaper with general circulation in the district. A public hearing is held to receive comments from the public concerning the approved budget. The Board of Directors adopts the budget, makes the appropriations, and levies taxes after the public hearing and before the beginning of the year for which the budget has been prepared.

The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the District's Board of Directors. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Fund, and Early Retirement Fund are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount), is established by major program category within an individual fund. Transfers of appropriations between budget categories must be authorized by resolution of the Board of Directors.

As demonstrated by the statements and schedules included in the Financial Section of this report, the District continues to meet its responsibility for sound financial management.

Financial Reporting

The financial statements of the District are prepared in accordance with generally accepted accounting principles (GAAP) of the United States of America. In addition to presenting the financial position, results of operations and changes in financial position of the District's funds, the financial statement reconciles differences in reporting activities between the budgetary basis as presented in the annual approved budget and the basis according to GAAP.

Accounting System

The financial transactions for governmental and fiduciary fund types are recorded on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded in the accounting period in which they become measurable and available, and expenditures are recorded when liabilities are incurred. Exceptions are made for principal and interest on general obligation bonds, full faith, and credit obligations and lease purchase agreements which are recorded on the due date, vested compensated absences, and early retirement obligations, which are recorded as expenditures for the current amount normally expected to be liquidated with available expendable financial resources and which are recorded as long-term debt.

The proprietary fund is an internal service fund for unemployment, copier replacement, replacement of student devices, and equipment loss under the District's insurance deductible.

The fiduciary funds consist of a fiduciary trust fund for an endowed scholarship. Under the GASB 34 accrual basis of accounting, revenues are recorded at the time they are earned and expenses are recorded at the time liabilities are incurred.

The accrual and modified accrual basis of accounting as utilized by Tigard-Tualatin School District 23J are in accordance with generally accepted accounting principles of the United States of America.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Tigard-Tualatin School District 23J for its Comprehensive Annual Financial Report for the year ended June 30, 2020. This was the 33rd consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles of the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we will be submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Office of Budget and Finance. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Directors for their unfailing support for maintaining the highest standards of professionalism in the management of the Tigard-Tualatin School District 23J's finances.

Respectfully submitted,



Dr. Susan Rieke-Smith
Superintendent



David Moore
Chief Financial Officer



Sarah Mehrabzadeh
Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Tigard-Tualatin School District 23J
Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

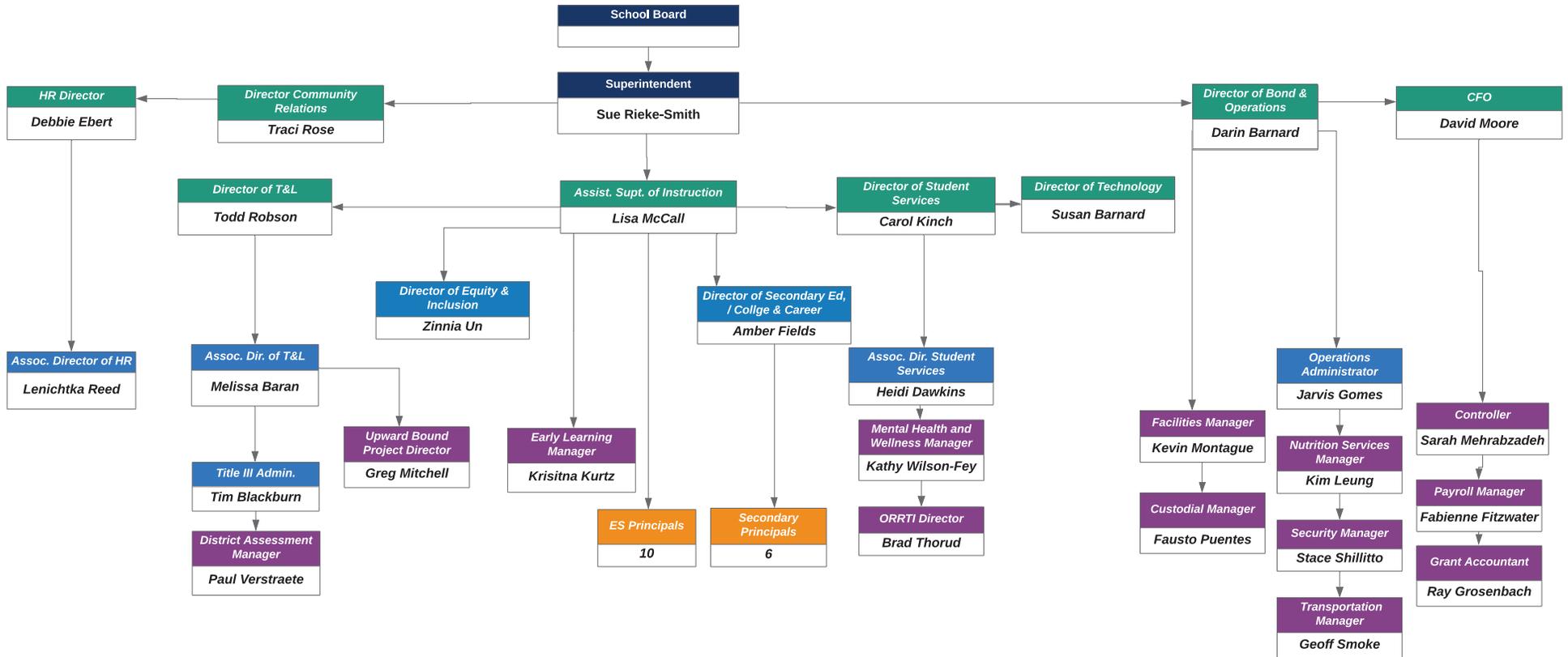
June 30, 2020

Christopher P. Morill

Executive Director/CEO

TTSD Organizational Chart 21-22

Rev. December 16, 2021



Tigard-Tualatin School District 23J
List of Elected and Appointed Officials

Elected Officials as of June 30, 2021

| <u>Name</u> | <u>Term Expires</u> |
|---------------------------|---------------------|
| Maureen Wolf, Board Chair | June 30, 2021 |
| Sharon Fox, Vice Chair | June 30, 2021 |
| Ben Bowman | June 30, 2023 |
| Karen Emerson | June 30, 2021 |
| Jill Zurschmeide | June 30, 2023 |

Appointed Officials

Susan R. Rieke-Smith, Ed.D., Superintendent/Clerk
David C. Moore, Chief Financial Officer/Deputy Clerk
Miller Nash, Legal Counsel
Hawkins, Delafield & Wood, Bond Counsel

This Page Left Intentionally Blank

FINANCIAL SECTION

Independent Auditors' Report



PAULY, ROGERS, AND Co., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

December 22, 2021

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Tigard-Tualatin School District No. 23J
Washington County, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tigard-Tualatin School District No. 23J, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Tigard-Tualatin School District No. 23J, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary and other information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements. The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents and the schedule of federal awards, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory, statistical, and the compliance and other reports sections, as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Reports on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 22, 2021 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the reports are to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. The reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 22, 2021, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Tara M Kamp, CPA
PAULY, ROGERS AND CO., P.C.

Management's Discussion and Analysis

This Page Left Intentionally Blank

Tigard-Tualatin School District 23J
Management's Discussion and Analysis
June 30, 2021

As managers of the Tigard-Tualatin School District 23J ("District"), we offer readers of the District's financial statements this narrative discussion and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the letter of transmittal, which can be found on pages 1-6 of this report.

Financial Highlights

- Projects specified in the 2017 voter approved general obligation bonds are in progress and the remaining projects will be finished over the next 2-3 years. Buildings and improvements totaling \$124.4 million were completed during 2020-21, including the rebuild of a middle school, secure vestibule projects at five elementary school and one middle school, parking lot paving projects, interior classroom door lock replacements, an elementary school track, and final phase of expansion and renovations at a high school. Construction in progress of \$69.9 million includes work on the new elementary school, the early learning and training facility, mechanical upgrades at four elementaries, restoration of a middle school athletic field, interior flooring projects at two elementaries, and a high school roofing project.
- The assets and deferred outflows of resources of the Tigard-Tualatin School District 23J exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$45.4 million. This is a decrease of \$2.5 million, net of the restatement and prior period adjustment, from the prior year.
- At the end of the fiscal year, the ending fund balance in the general fund was \$34.4 million or 23.9 percent of total general fund expenditures. The ending fund balance grew \$6.2 million from the prior year primarily because of reduced personnel costs and cost savings realized due to schools being shutdown to in-person teaching and learning until the last quarter of the year.
- The District's governmental funds report a combined ending fund balances of \$158.8 million, a decrease of \$34.8 million from the prior year. The primary reason for this decrease is the drawdown of bond funds for construction projects.
- Cash and investments available in governmental funds decreased by \$34.4 million during the year.
- The District's total long-term debt decreased by \$13.7 million due to the payment on debt and amortization of bond premiums and discounts.
- District enrollment and average daily membership both declined by approximately 750 students. This was due to families making different decisions related to their students' education during the pandemic including homeschooling, delaying enrollment, attending online charter and private schools, or moving out of the District.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the District's assets, liabilities, and deferred inflow/outflows of resources, with the difference reported as net position. Over time, increases or

decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

In the government-wide financial statements, the District's basic activities are combined. Those basic activities include regular and special education, child nutrition services, student transportation, administration, and facilities acquisition and construction. These activities are primarily financed through Oregon's state school fund, property taxes, and other intergovernmental revenues. Fiduciary funds are not included in the statements of net position or the statement of activities but are reported separately in the basic financial statements.

The government-wide financial statements can be found on pages 30 and 31 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that are segregated for specific activities or objectives. The Tigard-Tualatin School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's funds, with the exception of the fiduciary funds, (the early retirement fund and the scholarship fund), and the proprietary fund, (the self insurance fund), are governmental funds.

Governmental Funds. *Governmental funds* are used to account for the same functions (Instruction, Support Services, Enterprise and Community Services, Interest on Long-Term Liabilities) reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. The information provided by the fund financial statements might be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the general obligation debt service fund, the full faith and credit debt service fund, the PERS UAL debt service fund, the capital projects fund, the special revenue fund, and the early retirement fund. All District funds are considered to be major funds.

The District adopts an annual appropriated budget for all the funds. The budgetary comparison statements demonstrate compliance with the appropriated budgets. The budgetary comparison statements for the general fund and special revenue fund are a part of the required supplemental information. The budgetary comparison statement for the general obligation debt service fund, the full faith and credit debt service fund, the PERS UAL debt service fund, and the capital projects fund can be found in the supplemental information budgetary comparisons section.

The basic governmental fund financial statements can be found on pages 32 through 35 of this report.

Proprietary Fund. The *self insurance reserve fund* is used to account for the District's unemployment costs and the replacement of equipment not covered by the District's insurance deductible. Because this fund

provides services that benefit governmental rather than business type activities, it has been included within *governmental activities* in the government-wide financial statements. Proprietary fund statements provide the same type of information as the government-wide statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 36 through 38 of this report.

Fiduciary Fund. The *fiduciary fund* is used to account for resources held for the benefit of parties outside the District. Fiduciary Funds are not reported in the government-wide financial statements because those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary fund accounts for scholarship resources held by the District for use by the students awarded scholarships for college.

The fiduciary fund financial statements can be found on page 39 of this report.

Notes to Basic Financial Statements. The notes provide additional information that is necessary for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 40 through 80 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the District's progress in funding its OPEB benefits to employees. Required supplementary information can be found on pages 84 through 88 of this report. Individual fund statements can be found on pages 90 through 98 of this report.

Government-Wide Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of Tigard-Tualatin School District 23J, assets and deferred outflows exceeded liabilities and deferred inflows by \$45,379,806, at the close of the most recent fiscal year.

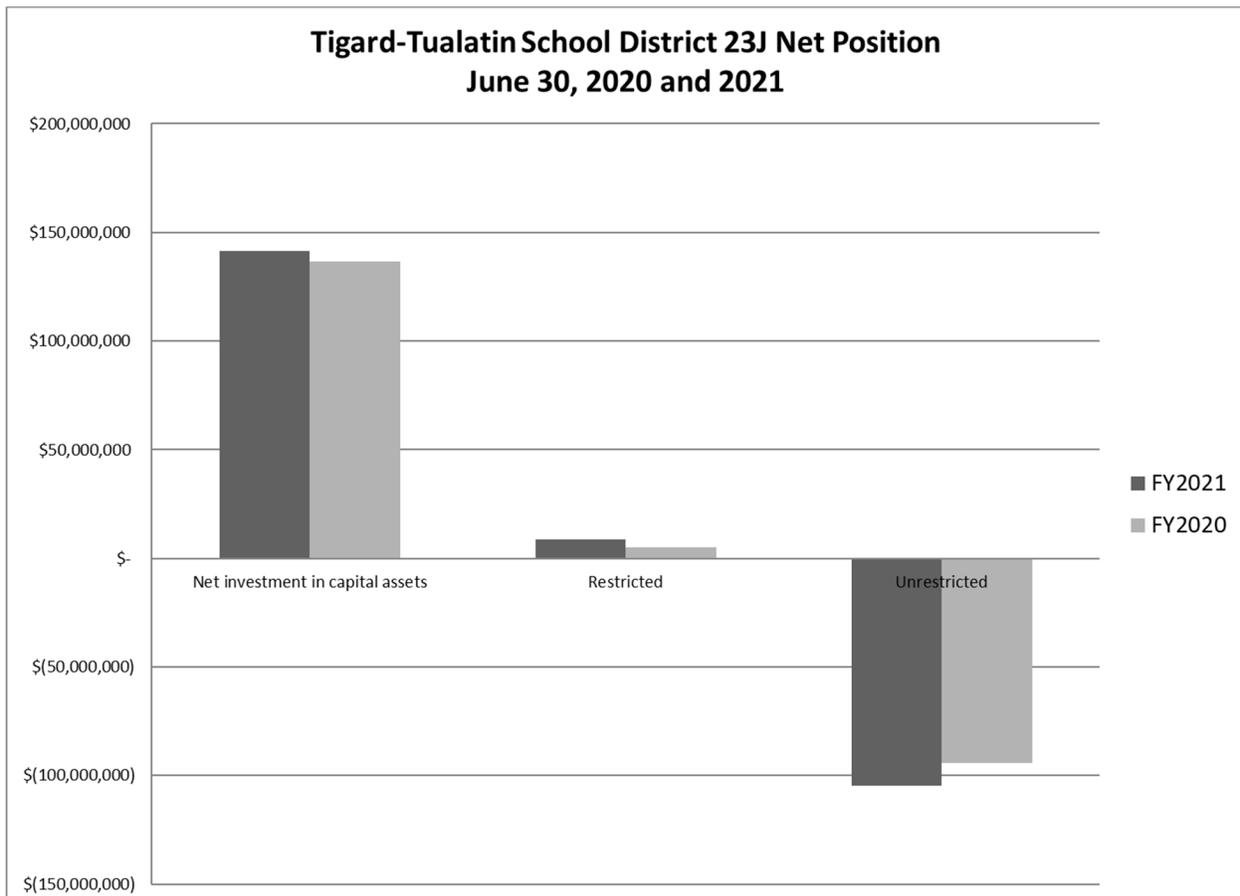
Tigard-Tualatin School District 23J's Net Position

| | Governmental Activities | | |
|-------------------------------------|-------------------------|----------------------|-----------------------|
| | FY2021 | FY2020 | Change |
| Current and other assets | \$ 189,880,255 | \$ 221,050,934 | \$ (31,170,679) |
| Capital assets, net of depreciation | 369,006,151 | 333,245,705 | 35,760,446 |
| Total assets | <u>558,886,406</u> | <u>554,296,639</u> | <u>4,589,767</u> |
| Deferred outflows of resources | <u>60,280,497</u> | <u>52,036,290</u> | <u>8,244,207</u> |
| Long term liabilities | 362,020,041 | 375,752,807 | (13,732,766) |
| Other liabilities | <u>203,761,169</u> | <u>173,861,406</u> | <u>29,899,763</u> |
| Total liabilities | <u>565,781,210</u> | <u>549,614,213</u> | <u>16,166,997</u> |
| Deferred inflows of resources | <u>8,005,887</u> | <u>8,796,660</u> | <u>(790,773)</u> |
| Net position | | | |
| Net investment in capital assets | 141,414,935 | 136,894,568 | 4,520,367 |
| Restricted | 8,737,474 | 5,421,863 | 3,315,611 |
| Unrestricted | <u>(104,772,603)</u> | <u>(94,394,375)</u> | <u>(10,378,228)</u> |
| Total net position | <u>\$ 45,379,806</u> | <u>\$ 47,922,056</u> | <u>\$ (2,542,250)</u> |

Net investment in capital assets, which consist of the District's land, buildings, building improvements, construction in progress, and vehicles and equipment less long-term debt attributed to investment in capital assets, exceeds the District's net position by 306.6 percent. The District uses these capital assets to provide education to students and services to the community. Accordingly, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, 18.9 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$(104,772,603) is unrestricted and is a negative balance due to the District's implementation of Government Accounting Standards Board (GASB) Statement 68 - *Accounting and Financial Reporting for Pensions* and GASB Statement 75 - *Accounting for Financial Reporting for Postemployment Benefits other than Pensions*. The balance shown for the District's net position is required for quantifying the pension liability that has always existed but has not been reported until Statement 68 was implemented in 2014-15 and Statement 75 was implemented in the 2017-18 fiscal year.

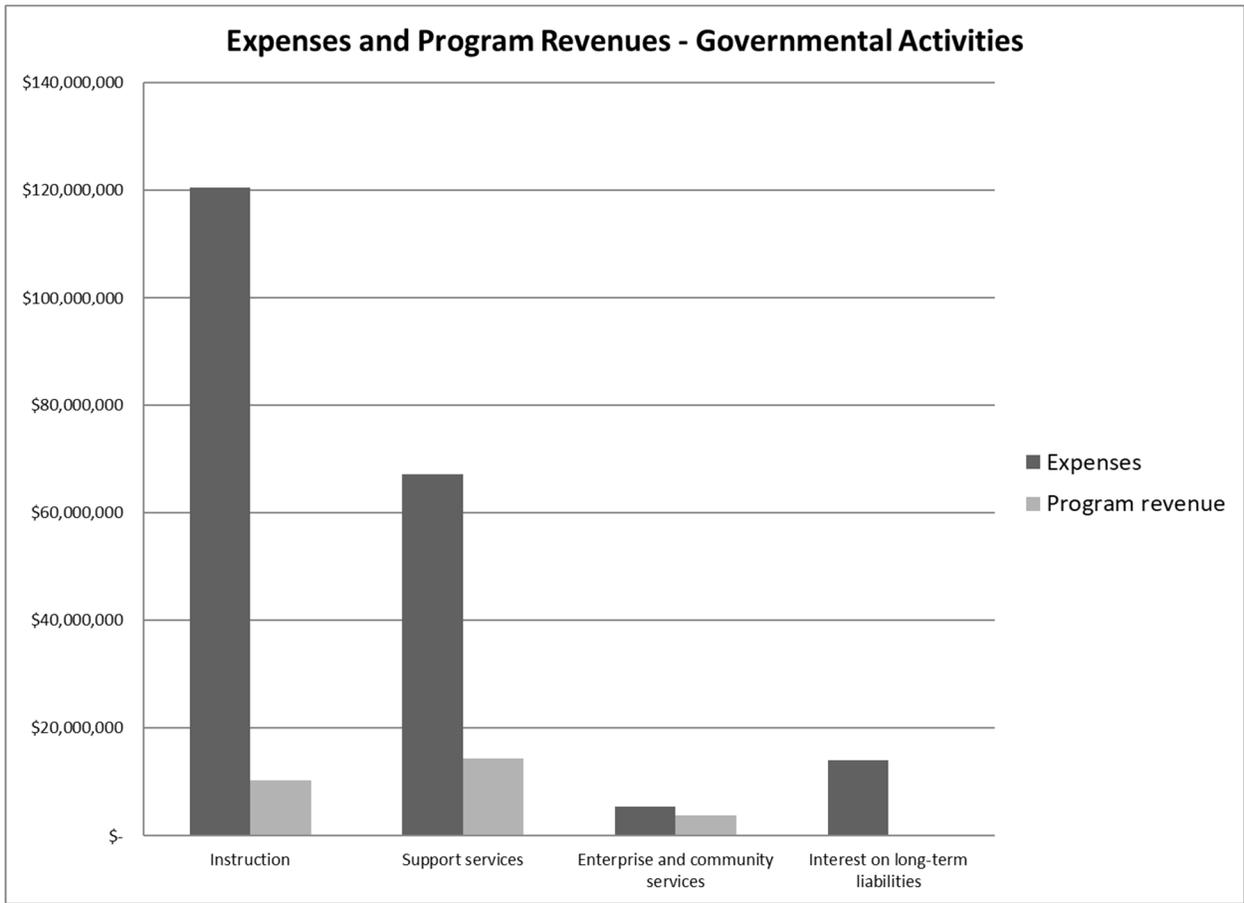
At the end of the current fiscal year, the District is unable to report positive balance in all reported categories of net position, both for the government as a whole, as well as for its separate governmental activities. The District was last able to report a positive balance for all reported categories of net position in the 2013-14 fiscal year.



Governmental Activities. During the current fiscal year, net position for governmental activities decreased by \$7,161,557. After consideration of the restatement and the prior period adjustment, the net position balance fell by \$2,542,250 from the prior year for an ending balance of \$46,379,806. Total expenses increased by approximately \$8.3 million in instruction and support services.

Tigard-Tualatin School District 23J's Changes in Net Position

| | Governmental Activities | | Change |
|---|-------------------------|----------------------|-----------------------|
| | FY2021 | FY2020 | |
| Revenues: | | | |
| Program revenues: | | | |
| Charges for services | \$ 1,227,428 | \$ 3,570,576 | \$ (2,343,148) |
| Operating and grants contributions | 26,902,901 | 20,789,959 | 6,112,942 |
| Capital grants and contributions | 133,227 | 146,390 | (13,163) |
| General revenues: | | | |
| Property taxes | 92,102,146 | 88,186,234 | 3,915,912 |
| Federal aid not restricted to specific purpose | 12,306 | 76,624 | (64,318) |
| Intermediate aid not restricted to specific purpose | 1,405,871 | 1,301,562 | 104,309 |
| State aid not restricted to specific purpose | 73,118,834 | 68,799,766 | 4,319,068 |
| Earnings on investments | 929,591 | 5,015,583 | (4,085,992) |
| Recovery of prior year expenses | 177,855 | 244,984 | (67,129) |
| Construction excise tax | 830,067 | 463,255 | 366,812 |
| Other local revenue | 3,052,397 | 1,629,951 | 1,422,446 |
| Total revenues | <u>199,892,623</u> | <u>190,224,884</u> | <u>9,667,739</u> |
| Expenses: | | | |
| Instruction | 120,499,151 | 115,462,612 | 5,036,539 |
| Support services | 67,114,618 | 63,797,944 | 3,316,674 |
| Enterprise and community services | 5,377,304 | 4,755,408 | 621,896 |
| Interest on long-term liabilities | 14,063,107 | 14,289,400 | (226,293) |
| Total expenses | <u>207,054,180</u> | <u>198,305,364</u> | <u>8,748,816</u> |
| Change in net position | (7,161,557) | (8,080,480) | 918,923 |
| Net position - beginning | 47,922,056 | 59,037,463 | (11,115,407) |
| Restatement | 2,897,021 | (3,034,927) | 5,931,948 |
| Prior Period Adjustment | <u>1,722,286</u> | <u>-</u> | <u>1,722,286</u> |
| Net position - ending | <u>\$ 45,379,806</u> | <u>\$ 47,922,056</u> | <u>\$ (2,542,250)</u> |

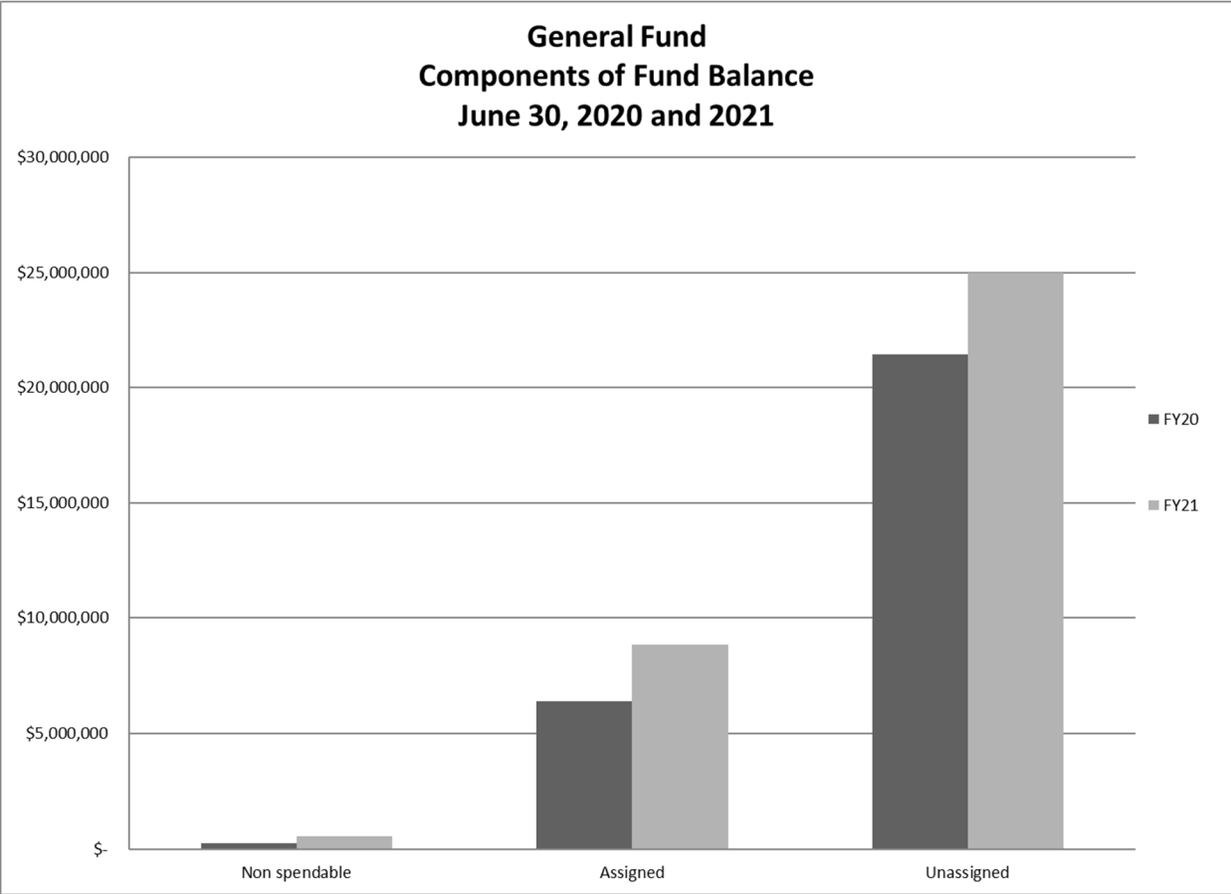


Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

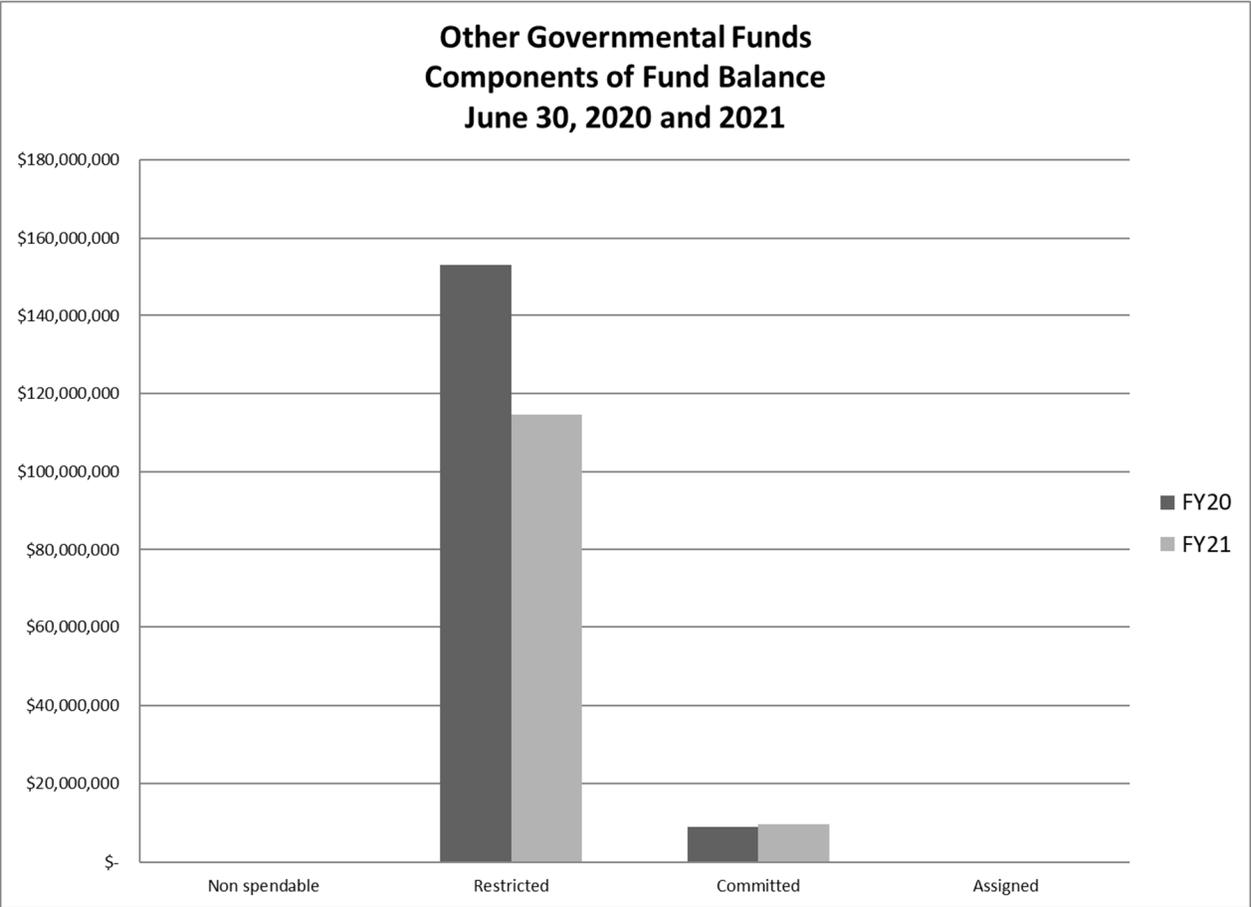
Governmental Funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents a portion of the fund balance which has not been limited to use for a particular purpose by either external party, the District's School Board, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's School Board.

At June 30, 2021, the District's governmental funds reported combined ending fund balances of \$158,826,260, a decrease of \$34,822,816 from the prior year. Approximately 15.75 percent or \$25,016,915 is *unassigned fund balance*, which is available for spending at the district's discretion. The remainder of the fund balance is either, *nonspendable, restricted, committed, or assigned* to indicate that it is 1) not in spendable form (\$757,670), 2) restricted for particular purposes (\$114,583,849), 3) committed for particular purposes, (\$9,617,649), or 4) assigned for particular purposes (\$8,850,177). Assigned fund balance represents the portion of the reserves budgeted in 2021-22.



The general fund is the chief operating fund of the District. At the end of the current fiscal year, the general fund total fund balance was \$34,429,536 with \$8,850,177 assigned to limit future budget reductions, \$562,444 in deposits which is categorized as non-spendable and \$25,016,915 which is unassigned. As a measure of the fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 17.4 percent of the total general fund expenditures, while total fund balance represents approximately 23.9 percent of that same amount.

The \$34.4 million fund balance of the District's general fund was an increase of \$6.3 million from the prior year explained primarily by cost savings due lower personnel costs and staff and students being in comprehensive distance learning for most of the year.



The *capital projects* fund had a \$42,517,845 decrease during the current fiscal year for an overall fund balance of \$110,528,825. Funds used for capital projects were restricted to bond projects, committed land sales funds and assigned Construction Excise Tax revenue. Major projects were related to the 2017 general obligation bond projects. The District will continue to use Construction Excise Tax funds for major repairs that were not considered in the bond projects. The final approved general obligation bonded debt was issued in June 2019.

The District has three debt service funds as Oregon Local Budget Law requires separate appropriation for each fund. The *general obligation debt service fund* had an increase in fund balance of \$135,186 for a total ending fund balance of \$641,802. The majority of taxes levied for this debt are received in November and the payments are structured so that funds are not required until tax levies are received by the district. The *full faith and credit debt service fund* had a decrease in fund balance of \$37,665 for a total ending fund balance of \$126,382. Balances in this fund represent timing differences of the revenue resources and the related debt payments. The *PERS UAL debt service fund* had a decrease in fund balance of \$43,668 for a total ending fund balance of \$1,257. The activity in this account is controlled by the bond paying agent. The District's state school fund grant payment is reduced by the amount due on this bond. Any difference is due to the estimate of interest income that is earned on the investment account.

The *special revenue fund* balance had a \$928,416 decrease for an ending fund balance of \$9,809,632. This represents expenditure of one-time funds that were either restricted or committed to specific purposes. Within this fund are federal grant funds that are received on a reimbursement basis.

The *early retirement fund* has been reclassified as a governmental fund from a fiduciary fund due to the implementation of GASB Statement No. 84. The restated beginning fund balance is \$2,897,021 which increased by \$391,805 for an ending balance of \$3,288,826.

Proprietary Funds. The District's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. The unrestricted net position of the self-insurance reserve fund was \$2,745,424, which was an increase of \$117,811.

General Fund Budgetary Highlights

There were no supplemental budgets necessary during the fiscal year. In June, the School Board approved appropriation transfers to adjust budgets between appropriation levels.

Final budget compared to actual results. The local option levy began declining in the 2010-2011 fiscal year. This was estimated at a low level of \$2.4 million in 2012-13 but began a slow rise to \$3,720,386 in that year. Future increases could not be estimated. Tax collections for the local option tax levy totaled \$10,044,837 for the year and exceeded budgetary expectations by \$776,437. The local option levy is dependent on property values and remains difficult to estimate. Total revenue received under the State School Fund Formula approximated the total budgeted, although an increase in property taxes compared to budget was offset by reductions in the State School Fund Grant. The final closeout of the 2020-21 State School Fund grant will occur in May 2022, which may affect 2021-22 revenue. Expenditures were under budget in 2020-21 mainly due to savings in personnel costs in addition to lower operational costs during the year because of the comprehensive distance learning implementation.

Capital Asset and Debt Administration

Capital assets. The District's investment in capital assets includes land, buildings and improvements, site improvements, vehicles and equipment, and construction in progress. As of June 30, 2021, the District's investment in capital assets totaled \$369,006,151, net of accumulated depreciation. The total increase in capital assets for the current fiscal year was approximately 10.7 percent.

Tigard-Tualatin School District 23J's Capital Assets

(net of depreciation)

Capital Assets Net of Depreciation

| | FY2021 | FY2020 | Change |
|----------------------------|-----------------------|-----------------------|----------------------|
| Land | \$ 20,712,399 | \$ 20,712,399 | \$ - |
| Land improvements | 5,663,736 | 6,424,533 | (760,797) |
| Buildings and improvements | 260,109,003 | 143,345,646 | 116,763,357 |
| Vehicles and equipment | 12,617,838 | 11,073,101 | 1,544,737 |
| Construction in progress | 69,903,175 | 151,690,026 | (81,786,851) |
| | <u>\$ 369,006,151</u> | <u>\$ 333,245,705</u> | <u>\$ 35,760,446</u> |

Major capital asset projects during the current fiscal year included the following completed projects:

- Twality Middle School Replacement
- Tigard High School Expansion and Renovation Final Phase
- Paving Projects at Tigard High School, Tualatin High School and Hazelbrook Middle School
- Secure Vestibule Projects at five elementary schools and one middle school
- Security cameras district wide
- Indoor classroom door lock replacement district wide
- Tualatin High School track shed
- Tigard High School track/soccer covered bleachers
- Alberta Rider Elementary track

Construction in progress relates to projects funded with the April, 2017 bond and include work to date for Templeton Core Early Learning and Training Facility, Art Rutkin Elementary School, Mechanical Upgrades at four elementaries, Interior Flooring Projects, Field Restoration at Twality Middle School, and Tigard High School Auditorium/Cafeteria Roof.

Additional information on the District's capital assets can be found in Note III. C. on page 51 in this report.

Tigard-Tualatin School District 23J's Outstanding Debt

Outstanding Debt

| | FY2021 | FY2020 | Change |
|--|-----------------------|-----------------------|------------------------|
| Bonds | \$ 320,428,542 | \$ 330,681,939 | \$ (10,253,397) |
| Notes from direct borrowings and direct payments | - | 44,000 | (44,000) |
| Issuance premiums and discounts | 41,591,499 | 45,026,868 | (3,435,369) |
| | <u>\$ 362,020,041</u> | <u>\$ 375,752,807</u> | <u>\$ (13,732,766)</u> |

The District's total debt decreased by \$13,732,766 (3.65 percent) during the current fiscal year. The reason for this decrease is the payment of principal due and amortization of bond premiums and discounts.

Moody's Investors Service has assigned an underlying rating of Aa2 for the District's general obligation bonds issued in April, 2017 and June 2019. Moody's confirmed the Aa2 rating in March 2021 following a ratings review due to a change in their ratings methodology for school districts. Moody's also assigned the 2017 and 2019 bonds an enhancement rating of Aa1 under the Oregon School Bond Guaranty Program. S&P Global Ratings has assigned an underlying rating of AA for the general obligation bonds issued in April, 2017 and June 2019 and a long-term rating of AA+ for the bonds due to the District's participation in the Oregon School Bond Guaranty Program. The current debt limitation for the District is \$1.67 billion, which is significantly in excess of the District's outstanding general obligation debt. Detailed information on long-term debt activity may be found in Note III. N. on pages 70 through 75 in the notes to basic financial statements.

Economic Factors and Next Year's Budget

- The State School Fund allocation grew from \$9 billion in the 2019-2021 biennium to \$9.3 billion in the 2021-2023 biennium. This increases the District's State School Fund Grant from \$8,737 per student in 2020-21 to \$8,981 per student in 2021-22. In 2021-22, the District has also been allocated \$9.2 million from the Student Investment Account under the 2019 Student Success Act legislation, a significant increase from the \$3.2 million allocation in 2020-21. This level of increase is the result of the continued growth in the state's Corporate Activity Tax, the revenue source for the Student Investment Account.
- In 2021-22, the District plans to expend approximately \$6 million in federal emergency relief funds awarded under the CRSSA and ARPA acts in response to COVID.
- With the impact of COVID-19, 2021-2022 enrollment is still down approximately 750 students compared to pre-pandemic numbers in 2019-20. Since State funding is dependent on number of students, this adds some uncertainty with future District revenue especially if a significant number of these students do not return to the District later this year or in 2022-23. For the 2022-23 budget, the District will likely forecast a minimal number of students returning next fall, if any at all.
- District voters renewed a five-year local option tax levy effective in 2020-21. In 2021-22, the District expects to collect approximately \$10 million from the levy in 2021-22.
- The District continues to monitor quarterly Oregon economic forecasts since the State budget is largely dependent on State income taxes and other resources discussed above. The most recent forecast shows that State revenue projections are so robust that the state has already exceeded the kicker thresholds for the current biennium, only a quarter of the way through. Currently, the personal income tax kicker is forecasted at \$558 million and the corporate tax kicker is estimated at \$250

million, and these numbers will likely grow significantly by the end of the 2021-2023 biennium. State unemployment rates continue to drop from the dramatic jump at the start of the pandemic and state economists forecast the number of jobs will reach pre-pandemic levels in the fall of 2022.

- The collective bargaining agreement for the licensed and classified employee groups are effective through June 30, 2022 and negotiations for new agreements will begin in the spring of 2022. Agreements with administrators and managerial/confidential employees are also effective through June 30, 2022.
- The current PERS employer contribution rates are in effect through 2022-23. The PERS Tier I and Tier II rate is 22.82 percent and the PERS OPSRP rates is 19.71 percent. New rates effective July 1, 2023 will be established by the PERS Board following completion of the 2021 actuarial valuation. In the interim, the actuaries have issued advisory rates for the biennium effective July 1, 2023 based on the 2020 actuarial valuation. The District's advisory rates are 26.16 percent for Tier I and Tier II and 22.89 percent for the PERS OPSRP rate. The actuaries have indicated the actual increases may be reduced by half due to the favorable investment earnings forecasted for 2021.

Requests for Information

This financial report is designed to present the users, citizens, taxpayers, investors, and creditors, with a general overview of the Tigard-Tualatin School District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Chief Financial Officer at 6960 SW Sandburg Street, Tigard, Oregon 97223.

This Page Left Intentionally Blank

Basic Financial Statements

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Statement of Net Position

June 30, 2021

| | Governmental Activities |
|---|----------------------------|
| Assets: | |
| Equity in pooled cash and investments | \$ 177,024,261 |
| Cash and investments | 1,395,314 |
| Receivables: | |
| Property taxes | 1,518,251 |
| Accounts and other receivables | 6,585,510 |
| Prepaid items | 562,444 |
| Inventory | 195,226 |
| Proportionate share of net OPEB asset (RHIA) | 2,599,249 |
| Capital assets, net of depreciation | |
| Land and construction in progress | 90,615,574 |
| Land improvements | 5,663,736 |
| Buildings and improvements | 260,109,003 |
| Vehicles and equipment | 12,617,838 |
| <i>Total Assets</i> | <u>558,886,406</u> |
| Deferred Outflows of Resources: | |
| Deferred outflows related to PERS pension liability | 58,359,078 |
| Deferred outflows related to RHIA OPEB asset | 307,989 |
| Deferred outflows related to District stipend pension liability | 86,587 |
| Deferred outflows related to OPEB health insurance liability | 1,526,843 |
| <i>Total Deferred Outflows of Resources</i> | <u>60,280,497</u> |
| Liabilities: | |
| Accounts payable | 12,993,221 |
| Accrued payroll and related charges | 10,943,308 |
| Accrued interest | 638,871 |
| Unearned revenue | 1,595,242 |
| Accrued compensated absences | 645,939 |
| Non current liabilities: | |
| Long-term obligations | |
| Due within 1 year | 8,824,559 |
| Due in more than 1 year | 329,295,482 |
| Limited tax pension obligation bond | |
| Due within 1 year | 2,740,000 |
| Due in more than 1 year | 21,160,000 |
| Other non current liabilities due in more than one year | |
| Total District stipend pension liability | 1,434,346 |
| Total OPEB liability | 7,192,916 |
| Proportionate share of net PERS pension liability | 168,317,326 |
| <i>Total Liabilities</i> | <u>565,781,210</u> |
| Deferred Inflow of Resources: | |
| Deferred inflows related to PERS pension liability | 6,736,626 |
| Deferred inflows related to RHIA OPEB asset | 1,009,130 |
| Deferred inflows related to OPEB health insurance liability | 260,131 |
| <i>Total Deferred Inflows of Resources</i> | <u>8,005,887</u> |
| Net Position | |
| Net investment in capital assets | 141,414,935 |
| Restricted for: | |
| Debt service | 769,441 |
| Other purposes: | |
| State, county, private grants | 4,679,207 |
| Transportation equipment | 499,612 |
| Student body activities | 1,395,314 |
| Other | 1,393,900 |
| Unrestricted | (104,772,603) |
| <i>Total Net Position</i> | <u>\$ 45,379,806</u> |

The notes to the basic financial statements are an integral part of this statement.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Statement of Activities

Year Ended June 30, 2021

| Functions | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position |
|--|-----------------------|----------------------|------------------------------------|----------------------------------|---|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| | | | | | Governmental Activities |
| Governmental Activities | | | | | |
| Instruction | | | | | |
| Regular instruction | \$ 91,376,603 | \$ 1,047,022 | \$ 3,037,307 | \$ - | \$ (87,292,274) |
| Special programs | <u>29,122,548</u> | - | <u>6,194,695</u> | - | <u>(22,927,853)</u> |
| Total direct classroom services | 120,499,151 | 1,047,022 | 9,232,002 | - | (110,220,127) |
| Support Services | | | | | |
| Students | 15,122,124 | - | 4,992,017 | - | (10,130,107) |
| Instructional staff | 7,745,230 | - | 2,572,600 | - | (5,172,630) |
| General administration | 1,470,028 | - | 1,091 | - | (1,468,937) |
| School administration | 11,693,300 | - | 244,098 | - | (11,449,202) |
| Business | 2,616,072 | - | - | - | (2,616,072) |
| Operation and maintenance of buildings | 14,171,379 | - | 680,761 | - | (13,490,618) |
| Student transportation | 6,033,737 | 18,000 | 4,395,193 | 133,227 | (1,487,317) |
| Central activities | 7,390,678 | - | 1,221,632 | - | (6,169,045.69) |
| Other | <u>872,070</u> | - | - | - | <u>(872,070)</u> |
| Total classroom support services | 67,114,618 | 18,000 | 14,107,393 | 133,227 | (52,855,998) |
| Enterprise and Community Services | | | | | |
| Food services | 3,462,622 | 834 | 2,409,304 | - | (1,052,484) |
| Other enterprise and community services | <u>1,914,682</u> | <u>161,572</u> | <u>1,154,203</u> | - | <u>(598,907)</u> |
| Total enterprise and community services | 5,377,304 | 162,406 | 3,563,507 | - | (1,651,391) |
| Interest on long-term liabilities | <u>14,063,107</u> | - | - | - | <u>(14,063,107)</u> |
| Total school district | <u>\$ 207,054,180</u> | <u>\$ 1,227,428</u> | <u>\$ 26,902,901</u> | <u>\$ 133,227</u> | <u>\$ (178,790,624)</u> |

General revenues:

Property taxes levied for:

| | |
|--|----------------------|
| General purposes | 70,106,305 |
| Debt service | 21,995,841 |
| Federal aid not restricted to specific purposes | 12,306 |
| Intermediate aid not restricted to specific purposes | 1,405,871 |
| State aid not restricted to specific purposes | 73,118,834 |
| Earnings on investments | 929,591 |
| Recovery of prior year expenses | 177,855 |
| Construction excise tax | 830,067 |
| Other local revenue | <u>3,052,397</u> |
| Total general revenues | <u>171,629,067</u> |
| Change in net position | (7,161,557) |
| Net position - beginning, restated | <u>50,819,077</u> |
| Prior period adjustment | <u>1,722,286</u> |
| Net position - ending | <u>\$ 45,379,806</u> |

The notes to the basic financial statements are an integral part of this statement.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Balance Sheet

Governmental Funds

June 30, 2021

| | Debt Service Funds | | | | | | | Total |
|---|----------------------|--|---|----------------------------------|--------------------------|-------------------------|--------------------------|-----------------------|
| | General Fund | General Obligation Debt Service Fund | Full Faith and Credit Debt Service Fund | PERS UAL Debt Service Fund | Capital Projects Fund | Special Revenue Fund | Early Retirement Fund | |
| Assets | | | | | | | | |
| Equity in pooled cash and investments | \$ 43,169,240 | \$ 492,191 | \$ 126,382 | \$ 1,257 | \$ 120,307,779 | \$ 8,187,081 | \$ 3,288,826 | \$ 175,572,756 |
| Cash and investments | - | - | - | - | - | 1,395,314 | - | 1,395,314 |
| Receivables | | | | | | | | |
| Property taxes | 1,159,944 | 358,307 | - | - | - | - | - | 1,518,251 |
| Accounts and other receivables | 1,412,884 | 61,649 | - | - | 234,359 | 4,533,048 | - | 6,241,940 |
| Due from other funds | 1,990,279 | - | - | - | - | - | - | 1,990,279 |
| Prepaid items | 562,444 | - | - | - | - | - | - | 562,444 |
| Inventories | - | - | - | - | - | 195,226 | - | 195,226 |
| Total Assets | \$ 48,294,791 | \$ 912,147 | \$ 126,382 | \$ 1,257 | \$ 120,542,138 | \$ 14,310,669 | \$ 3,288,826 | \$ 184,187,384 |
| Liabilities, Deferred Inflows, and Fund Balances | | | | | | | | |
| Liabilities | | | | | | | | |
| Accounts payable | \$ 2,058,570 | \$ - | \$ - | \$ - | \$ 10,013,313 | \$ 915,516 | \$ - | \$ 12,987,399 |
| Accrued payroll and related charges | 10,928,286 | - | - | - | - | - | - | 10,928,286 |
| Unearned revenue | - | - | - | - | - | 1,595,242 | - | 1,595,242 |
| Due to other funds | - | - | - | - | - | 1,990,279 | - | 1,990,279 |
| Total Liabilities | 12,986,856 | - | - | - | 10,013,313 | 4,501,037 | - | 27,501,206 |
| Deferred Inflows | | | | | | | | |
| Deferred revenue - unavailable property taxes | 878,399 | 270,345 | - | - | - | - | - | 1,148,744 |
| Fund Balances: | | | | | | | | |
| Nonspendable | 562,444 | - | - | - | - | 195,226 | - | 757,670 |
| Restricted | - | 641,802 | 126,382 | 1,257 | 105,846,375 | 4,679,207 | 3,288,826 | 114,583,849 |
| Committed | - | - | - | - | 4,682,450 | 4,935,199 | - | 9,617,649 |
| Assigned | 8,850,177 | - | - | - | - | - | - | 8,850,177 |
| Unassigned | 25,016,915 | - | - | - | - | - | - | 25,016,915 |
| Total Fund Balances | 34,429,536 | 641,802 | 126,382 | 1,257 | 110,528,825 | 9,809,632 | 3,288,826 | 158,826,260 |
| Total Liabilities, Deferred Inflows, and Fund Balances | \$ 48,294,791 | \$ 912,147 | \$ 126,382 | \$ 1,257 | \$ 120,542,138 | \$ 14,310,669 | \$ 3,288,826 | \$ 184,187,384 |

The notes to the basic financial statements are an integral part of this statement.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2021*

Amounts reported for governmental activities in the statement of net position are different because:

| | |
|---|----------------------|
| Total fund balances - governmental funds | \$ 158,826,260 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 369,006,151 |
| Other long-term assets are not available to pay for current period expenditures, and, therefore, are reported as unavailable revenue in the funds. | |
| Property taxes collected after year end but not soon enough to pay for current expenditures | 1,148,744 |
| Difference between market and carrying value of investments | (1,260,892) |
| Interest on investments earned but not received | 289,699 |
| Proportionate share of OPEB RHIA asset | 2,599,249 |
| The internal service fund is used by management for risk management services. The asset and liabilities of the internal service fund are included in the governmental activities in the statement of net position. | 2,745,424 |
| The net pension liability and net OPEB for the early retirement stipend plan is not due and payable in the current period, and therefore, is not reported in the funds | (8,627,262) |
| Long-term liabilities, including bonds payable, accrued interest, and compensated absences are not due and payable in the current period, and therefore, are not reported in the funds. | |
| Bonds payable including issue premiums and discounts | (362,020,041) |
| Accrued interest on bonds payable | (638,871) |
| Compensated absences | (645,939) |
| The net pension liability is not an available resource and, therefore, is not reported in the funds. | (168,317,326) |
| Deferred inflows and outflows due to differences between projected and actual earnings and the contributions after the measurement date for the pension and stipend plans are not reflected in the budgetary basis balance sheet. | |
| Deferred outflow - PERS pension | 58,359,078 |
| Deferred outflow - stipend pension plan | 86,587 |
| Deferred outflow - OPEB RHIA | 307,989 |
| Deferred outflow - OPEB health insurance subsidy | 1,526,843 |
| Deferred inflow - PERS pension | (6,736,626) |
| Deferred inflow - OPEB RHIA | (1,009,130) |
| Deferred inflow - OPEB health insurance subsidy | <u>(260,131)</u> |
| Total Net Position | <u>\$ 45,379,806</u> |

The notes to the basic financial statements are an integral part of this statement.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year Ended June 30, 2021

| | Debt Service Funds | | | | | | | Total |
|--|----------------------|---|-----------------------------|---|--------------------------|-------------------------|--------------------------|-----------------------|
| | General Fund | General Obligation Debt Service Fund | Credit Debt Service Fund | Full Faith and PERS UAL Debt Service Fund | Capital Projects Fund | Special Revenue Fund | Early Retirement Fund | |
| Revenues | | | | | | | | |
| Local sources | \$ 71,514,815 | \$ 22,071,886 | \$ 950,062 | \$ 3,880,794 | \$ 3,248,772 | \$ 1,870,095 | \$ 1,269,200 | \$ 104,805,624 |
| Intermediate sources | 1,374,465 | 30,854 | - | - | - | 4,145,926 | - | 5,551,245 |
| State sources | 77,430,785 | - | - | - | - | 6,662,038 | - | 84,092,823 |
| Federal sources | 12,306 | - | - | - | - | 10,730,436 | - | 10,742,742 |
| Total revenues | 150,332,371 | 22,102,740 | 950,062 | 3,880,794 | 3,248,772 | 23,408,495 | 1,269,200 | 205,192,434 |
| Expenditures | | | | | | | | |
| Current | | | | | | | | |
| Instruction | 93,427,242 | - | - | - | - | 8,742,516 | - | 102,169,758 |
| Support services | 49,409,478 | - | - | - | - | 9,032,722 | 877,395 | 59,319,595 |
| Community services | 321,277 | - | - | - | - | 4,643,781 | - | 4,965,058 |
| Facilities acquisition and construction | - | - | - | - | 12,209,995 | - | - | 12,209,995 |
| Transit payments to other school districts | - | - | - | - | - | 149,440 | - | 149,440 |
| Debt service | | | | | | | | |
| Principal | - | 7,105,000 | 737,397 | 2,455,000 | - | - | - | 10,297,397 |
| Interest | - | 14,862,554 | 761,112 | 1,480,360 | - | - | - | 17,104,026 |
| Capital Outlay | 402,151 | - | - | - | 33,130,804 | 360,631 | - | 33,893,586 |
| Total expenditures | 143,560,148 | 21,967,554 | 1,498,509 | 3,935,360 | 45,340,799 | 22,929,090 | 877,395 | 240,108,855 |
| Excess (deficiency) of revenues over (under) expenditures | 6,772,223 | 135,186 | (548,447) | (54,566) | (42,092,027) | 479,405 | 391,805 | (34,916,421) |
| Other financing sources (uses) | | | | | | | | |
| Transfers in | - | - | 510,949 | 11,155 | - | 1,375,222 | - | 1,897,326 |
| Transfers out | (455,000) | - | (167) | - | (510,948) | (926,211) | - | (1,892,326) |
| Sale of capital asset | 3,475 | - | - | - | 85,130 | - | - | 88,605 |
| Total other financing sources (uses) | (451,525) | - | 510,782 | 11,155 | (425,818) | 449,011 | - | 93,605 |
| Net change in fund balances | 6,320,698 | 135,186 | (37,665) | (43,411) | (42,517,845) | 928,416 | 391,805 | (34,822,816) |
| Fund balances, beginning of year, restated | 28,108,838 | 506,616 | 164,047 | 44,668 | 153,046,670 | 8,881,216 | 2,897,021 | 193,649,076 |
| Fund balances, end of year | \$ 34,429,536 | \$ 641,802 | \$ 126,382 | \$ 1,257 | \$ 110,528,825 | \$ 9,809,632 | \$ 3,288,826 | \$ 158,826,260 |

The notes to the basic financial statements are an integral part of this statement.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021

Amounts reported for governmental activities in the statement of activities (page 31) are different because:

| | | |
|---|-----------|--------------------|
| Net change in fund balances - total governmental funds (page 34) | \$ | (34,822,816) |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense in the current period. | | |
| Capital outlay | | 46,103,136 |
| Disposals | | (2,451,277) |
| Depreciation expense | | (9,613,699) |
| The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to the governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. | | |
| Debt principal payments | | 10,297,397 |
| Some expenses and revenues reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. | | |
| Changes in compensated absences | | (17,662) |
| Changes in accrued interest on debt | | (33,529) |
| Amortization of bond discount/premium | | 3,435,369 |
| Amortization of deferred charge on refunding | | (360,921) |
| Adjustments to investments at market value | | (1,596,989) |
| Adjustments to interest receivable | | (262,750) |
| Adjustments for the beginning net pension asset, allocations to expenses for net changes in deferred inflows due to the District's share in the PERS system's differences between projected and actual earnings, and contributions subsequent to the measurement date are not in the budgetary basis financial statements. | | |
| | | (18,464,344) |
| Adjustments for the net OPEB early retirement stipend liability and the net changes in deferred inflows due changes in assumptions, experience loss, and earnings are not in the budgetary basis financial statements. | | |
| | | (897,612) |
| Adjustments for the proportionate share of the OPEB RHIA asset and the net changes in deferred inflows and outflows due to changes in experience loss, and earnings are not in the budgetary basis financial statements. | | |
| | | 748,163 |
| Adjustments for net OPEB health insurance subsidy liability and the net changes in deferred inflows and outflows due to changes in assumptions, experience loss, and earnings are not in budgetary basis financial statements. | | |
| | | 750,948 |
| Adjustments in the statement of activities for accrued property taxes that do not provide current financial resources are not reported as revenues in the funds | | |
| | | (92,782) |
| Internal service funds are used by management to charge the cost of risk management to other funds. The net revenue of certain activities of the internal service funds is reported with governmental activities. | | |
| | | 117,811 |
| Change in Net Position | <u>\$</u> | <u>(7,161,557)</u> |

The notes to the basic financial statements are an integral part of this statement.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Proprietary Funds

Statement of Changes in Proprietary Net Position
For the year ending June 30, 2021

| | Self Insurance Reserve Fund |
|---------------------------------|--------------------------------|
| Revenue | \$ 363,722 |
| Operating expenses | |
| Instruction services | 138,626 |
| Support services | 98,125 |
| Community services | 9,160 |
| Total operating expenses | 245,911 |
| Change in net position | 117,811 |
| Net position, beginning of year | 2,627,613 |
| Net position, end of year | \$ 2,745,424 |

The notes to the basic financial statements are an integral part of this statement.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Fiduciary Funds - Custodial

Statement of Fiduciary Net Position
June 30, 2021

| | <u>Scholarship Fund Custodial</u> |
|---|---------------------------------------|
| Assets | |
| Invested in State Treasurer's Investment Pool | \$ <u>210,100</u> |
| Total Assets | \$ <u><u>210,100</u></u> |
| Net Position | |
| Restricted for Scholarships | <u>210,100</u> |
| Total Net Position | \$ <u><u>210,100</u></u> |

Statement of Changes in Fiduciary Net Position
For the year ending June 30, 2021

| | <u>Scholarship Fund Custodial</u> |
|---------------------------------|---------------------------------------|
| Additions | |
| Investment earnings | \$ <u>1,702</u> |
| Total additions | <u>1,702</u> |
| Deductions | |
| Scholarship payments | <u>5,000</u> |
| Total deductions | <u>5,000</u> |
| Change in net position | (3,298) |
| Net position, beginning of year | <u>213,398</u> |
| Net position, end of year | \$ <u><u>210,100</u></u> |

The notes to the basic financial statements are an integral part of this statement.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

I. Summary of Significant Accounting Policies

A. DESCRIPTION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

B. REPORTING ENTITY

The District was organized under provisions of Oregon Statutes, Chapter 332, for the purpose of operating a school district.

The District is a municipal corporation governed by a five-member board, which is elected by citizens residing within the District's boundaries. The daily operations of the District are under the supervision of the Superintendent-Clerk. Administrators are approved by the Board.

Generally accepted accounting principles of the United States of America require that these financial statements present the primary government and all component units, if any. Component units are separate organizations that may be included in the District's reporting entity because of the significance of their operational or financial relationships with the District.

In 1991, private citizens residing in the District area formed the Tigard-Tualatin Schools Foundation as a separate, independent, non-profit corporation. The Foundation is not a component unit of the District and is not included in this report, but it does raise money and perform services for the benefit of the District and its students. The District's Charter School does not qualify as a component unit under the provisions of GASB Statement 61.

C. BASIS OF PRESENTATION - GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

While separate government-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements excepting services provide and used are not eliminated in the process of consolidation.

D. BASIS OF PRESENTATION - FUND FINANCIAL STATEMENTS

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District except for those required to be accounted for in another fund.

The *general obligation bond debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

The *full faith and credit debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term full faith and credit debt of governmental funds.

The *PERS UAL debt service fund* accounts for the resources accumulated and payments made for principal and interest on the pension obligation debt of governmental funds.

The *capital projects fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction, and remodel of facilities.

The *special revenue fund* accounts for grants and other resources required to be accounted for separately from the other funds listed above.

The *early retirement fund* accounts for the activities of the early retirement program.

The District reports the following proprietary fund types:

The *internal service fund* accounts for the District's unemployment costs and replacement of equipment not covered by the District's insurance deductible. The fund was renamed from the self-insurance fund to the internal service fund in the 2018-19 budget when copier replacement and replacement of student devices under the district's 1:1 technology initiative were included as internal services to schools.

Additionally, the District reports the following fiduciary fund types:

The *scholarship fund* accounts for scholarship resources held by the District in a fiduciary capacity for use by students.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in preparation of the government-wide financial statements.

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenditures are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and fiduciary custodial fund are reported using the economic resources measurement focus and the accrual basis of accounting.

F. BUDGETARY INFORMATION

1. Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds consistent with Oregon Local Budget Law.

The appropriated budget is prepared and appropriated by fund and major function as required by Oregon Local Budget Law. The district's administrators may make transfers of appropriations within appropriation levels. Transfers between appropriation levels require the approval of the School Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the major appropriation level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

2. Excess of expenditures over appropriations.

No expenditures exceeded appropriations at June 30, 2021.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

G. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, NET POSITION/FUND BALANCE

1. Cash and Investments

The District's cash management policies are governed by state statutes, School Board policy DFA Investment of Funds, and the related School Board Administrative rule. School Board policy authorizes the District to invest in bankers' acceptances, time certificates of deposit, commercial paper, repurchase agreements, obligations of the United States and its agencies and instrumentalities and the Local Government Investment Pool (LGIP).

During the year the District's investments have included obligations of the U.S. Treasury, its agencies and instrumentalities, deposits in financial institutions, and the LGIP. It is the District's policy to value investments at amortized cost, which approximates fair value. The LGIP is stated at cost which approximates fair value. Changes in the fair value of investments are recorded as investment earnings.

The State Treasurer's LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The state's investment policies are governed by the Oregon Revised Statutes and the Oregon Investment Council. The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which establishes diversification percentages and specifies the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. At June 30, 2021, the fair value of the position in the LGIP is approximately 100.40 percent of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements.

Amounts in the State Treasurer's LGIP are not required by law to be collateralized. Cash and cash equivalents

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Fair Value Inputs and

Methodologies and Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market– corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

2. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out method (FIFO) and consist of commodities, food, and supplies used in the District's food service program and Scrip gift cards held by the Scrip program, a regional school fundraising program that resells gift cards.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

3. Capital Assets

Capital assets are recorded at original cost or estimated original cost. Donated assets are recorded at their acquisition value at the time of donation. The District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated useful life of more than one year. In accordance with the definition of capital costs under Oregon law, capital assets also include equipment with an estimated useful life of more than one year purchased with 2011 General Obligation Bond proceeds regardless of individual cost. Interest incurred during construction is not capitalized. Maintenance and repairs that do not add to the value of an asset or materially extend an asset's useful life are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

| <u>Asset Type</u> | <u>Estimated Lives</u> |
|----------------------------|------------------------|
| Land Improvements | 20 Years |
| Buildings and Improvements | 30-80 Years |
| Equipment | 4-30 Years |

4. Deferred outflows/inflows of resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. One item in this category is related to the pension plan due to differences in expected and actual experiences, differences in expected and actual earnings, and contributions made after the actuary's measurement date. In addition the statement of net position reports deferred outflows related to the OPEB stipend plan and the OPEB health insurance subsidy include differences between expected and actual experiences, changes of assumptions and differences between projected and actual earnings.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period so it will not be recognized as an inflow of resources (revenue) until that time. One item under the modified accrual basis of accounting that are reported on the governmental funds balance sheet, property taxes levied but not collected within 60 days of year end. Another item is the District's pension related deferral. In addition the statement of net position reports deferred inflows from Pension plan related deferral, RHIA Related deferrals, OPEB stipend plan related deferrals and OPEB health insurance related deferrals resulting from actuarial valuation differences and will be recognized in future periods.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

5. Net Position Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

6. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

7. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The district itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the district's highest level of decision-making authority. The School Board is the highest level of decision-making authority for the district that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The School Board has by resolution authorized the Superintendent to assign fund balance. The School Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

To preserve a sound financial system and to provide a stable financial base, the governing body has adopted a minimum fund balance policy. The policy directs that the proposed budget will create fund balances in an amount sufficient to:

- Allow the district to deliver a sustainable level of program through anticipated recessionary periods; and
- Protect the district from unnecessary borrowing in order to meet cash-flow needs; and
- Provide prudent reserves to meet unexpected emergencies and protect against catastrophic events; and
- Help ensure a district credit rating that would qualify the district for lower interest costs and greater marketability of bonds that may be necessary in the construction and renovation of school facilities.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

To this end the District Board directed the Superintendent to include in the budget designations to ensure an ending fund balance of a Rainy Day Reserve of five (5%) percent of total resources net of beginning fund balance, Unappropriated Ending Fund balance of five (5%) percent of total resources net of beginning fund balance, and Contingency of two (2%) percent of total resources net of beginning fund balance.

Committed revenue in the State, County and Private Grants fund includes:

Service credits and cash payments in lieu of service are committed to educational services provided by the Northwest Regional ESD and other related educational programs.

Strategic Investment Funds are committed to consumables required for prior textbook adoptions and the related educational programs.

Any portion of the ending fund balance this fund collected prior to the implementation of GASB 54 is committed to programs related to the initial receipt of the funds. Specific purposes of these funding sources include maintenance of facilities, technology equipment, and educational programs.

H. REVENUES AND EXPENDITURES/EXPENSES

1. Program revenues

Amounts included in program revenues include: 1) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function of the district, this includes state school fund grant money for bus replacement, federal reimbursement for bond interest payments, all reimbursable grants, money from the National School Lunch Program, and the portion of the state school fund for transportation representing 70% of allowable transportation expenditures. All taxes or other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are payable on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

3. Compensated Absences

Accumulated accrued compensated absences for vacation pay are recorded as current liabilities in the government-wide financial statements as the entire amounts are expected to be liquidated within one year. Accumulated sick leave does not vest and is recorded as it is used.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the internal service fund are to assessments for unemployment cost, assessments for lost or damaged 1:1 technology devices, assessments to schools for copier use and insurance claims. Operating expenses for internal service funds include the cost of unemployment claims and property loss that is not covered by the District's insurance deductible. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

5. Retirement Plans

Substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

The District's early retirement stipend plan for licensed employees and administrators was valued by the actuary under GASB 68 requirements.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. VIOLATIONS OF LEGAL OR CONTRACTUAL PROVISIONS

For the year ended June 30, 2021, no expenditures exceeded appropriations. There were no violations of legal or contractual provisions.

B. DEFICIT FUND EQUITY

The district did not have any funds with a negative fund balance.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. CASH AND INVESTMENTS

1. Custodial credit risk – deposits

In the case of deposits, this is the risk that in the event of a bank failure, the district's deposits may not be returned to it. As of June 30, 2021, the district's bank balances were \$24,499,513 and \$23,343,888 of that amount was exposed to custodial credit risk because it was uninsured and collateralized by securities held by the pledging or financial institutions trust department or agent, but not in the government's name. All deposits were in bank depositories qualified by the Oregon State Treasury which maintains the collateral program for local governments.

2. Deposits

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. Of these balances all were deposited in banking institutions covered by Federal depositor insurance. However, a portion of these deposits exceed the federal deposit insurance corporation limit and are not federally insured. Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Cash and investments are comprised of the following as of June 30, 2021:

| | |
|---|---------------------------|
| Petty cash | \$ 12,335 |
| Demand deposits | 5,215,244 |
| Public funds money market account | 16,996,460 |
| Investments | <u>157,666,528</u> |
| Total cash and investments | <u>\$ 179,890,567</u> |
| Cash and investments were held in the following fund types: | |
| Governmental funds: | |
| Equity in pooled cash and investments | \$ 175,572,756 |
| Cash and investments | <u>1,395,314</u> |
| Total governmental funds balance sheet | <u>176,968,070</u> |
| Proprietary funds | |
| Equity in pooled cash and investments | <u>2,712,397</u> |
| Fiduciary funds: | |
| Scholarship fund | <u>210,100</u> |
| Total fiduciary funds | <u>210,100</u> |
| Total cash and investments | <u>\$ 179,890,567</u> |
| Total governmental funds equity in pooled cash and investments | \$ 176,968,070 |
| Total proprietary funds equity in pooled cash and investments | 2,712,397 |
| Adjust investments to fair value | <u>(1,260,892)</u> |
| Total equity in pooled cash and investments per statement of net position | <u>\$ 178,419,575</u> |

3. Investments

The Tigard-Tualatin School District School Board authorizes the District to invest in obligations of U.S. government agencies, U.S. Government Sponsored Enterprises (USGSE), the U.S. Treasury, time certificates of deposit, repurchase agreements, money market investments, bankers' acceptances, commercial paper, State of Oregon and local government securities, and the State Treasurer's Investment Pool as per the State Treasurer's investment policies which are governed by Oregon Revised Statutes and the Oregon Short-Term Fund Board (OSTFB).

There were no known violations of legal or contractual provisions for deposits.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

As of June 30, 2021 the District had the following investments and maturities:

| Investment Type | Fair Value | Weighted Average Maturity in Years | % of Investment Portfolio |
|-----------------------------------|-----------------------|---|---------------------------------|
| US Agency | \$ 22,245,541 | 1.197 | 14.2% |
| US Treasury | 87,646,563 | 0.600 | 56.0% |
| State Treasurer's investment pool | 46,513,532 | 0.614 | 29.7% |
| Total | \$ 156,405,636 | 0.689 | 100% |

Interest Rate Risk - Oregon Revised Statutes and school board policy guide District investments. The District's investment policy was approved by the Oregon Municipal Debt Advisory Commission and allows certain investments to exceed 18 months. The policy provides for the maximum single maturity restriction of an investment in the portfolio to 5 years and the overall weighted average maturity of the portfolio is restricted to 24 months.

Credit Risk - For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District minimizes custodial credit risk by limiting investments to the types of securities allowed by law. The District School Board annually approves a list of financial institutions with which the District will do business. All of the investments, except for the investment in the Local Government Investment Pool which is not evidenced by securities, are held in safekeeping by the financial institutions counterparty in the financial institution's general customer account. The Local Government Investment Pool's policies provide for a composite minimum weighted average credit quality rating for the Fund's holdings to be the equivalent of a AA Standard and Poor's (S&P) rating. This composite is calculated based on the median rating if three agencies rate the security, the lower rating if two ratings are available, or the single rating if only one rating is available. On June 30, 2021, the fund's composite weighted average rating was equivalent to S&P's AA based on the method described above. U.S. Treasuries and all unrated federal agency securities were also assumed to be rated AAA for the composite rating, as these securities are backed by the U.S. government.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held.

Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2021. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2021, the fair value of the position in the LGIP is 100.40% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

Investments in US Treasury are fair value level 1 measurement and Agency Securities and Commercial Paper are fair value level 2 measurement.

Concentration of Credit Risk - Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from U.S. Government Agencies. More than 5% of the School District's total investments are in securities by the following issuers:

| Issuer | Percentage of Total Investments (Total Equity Concentration) |
|--------------------------|---|
| Federal Home Loan Banks | 6.69% |
| Federal Farm Cr Bks | 7.09% |
| Federal Home Ln Mtg Corp | 2.27% |
| Federal Natl Mtg Assn | 4.19% |
| United States Treas Nts | 79.76% |

B. ACCOUNTS AND OTHER RECEIVABLES

Accounts and other receivables consist primarily of claims for reimbursement of costs under various federal and state grant programs and also include building use payments, other payments for services, and construction excise taxes collected by local governments. Receivables are comprised of the following at June 30, 2021:

| | General Fund | Debt Service Fund | Capital Projects Fund | Special Revenue Funds | Total |
|--------------------------------------|---------------------|-------------------------|-----------------------------|-----------------------------|---------------------|
| Property taxes receivable | \$ 1,159,944 | \$ 358,307 | \$ - | \$ - | \$ 1,518,251 |
| Accounts and other receivables: | | | | | |
| Grants receivable | - | - | - | 3,369,849 | 3,369,849 |
| Interest and Other | <u>1,412,884</u> | <u>61,649</u> | <u>234,359</u> | <u>1,163,199</u> | <u>2,872,091</u> |
| Total accounts and other receivables | <u>1,412,884</u> | <u>61,649</u> | <u>234,359</u> | <u>4,533,048</u> | <u>6,241,940</u> |
| Net receivables | <u>\$ 2,572,828</u> | <u>\$ 419,956</u> | <u>\$ 234,359</u> | <u>\$ 4,533,048</u> | <u>\$ 7,760,191</u> |

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also delay revenue recognition in connection with resources that have been received, but not yet earned. At the end of the 2020-21 fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

| <u>Description</u> | <u>Unearned Amount</u> |
|--|----------------------------|
| Grant and contract payments received prior to meeting all eligibility requirements | <u>\$ 1,595,242</u> |
| Total unearned revenue | <u>\$ 1,595,242</u> |

C. CAPITAL ASSETS

Capital asset activity for the year ending June 30, 2021, was as follows:

| | <u>Restated Balance June 30, 2020</u> | <u>Current year additions</u> | <u>Current year dispositions</u> | <u>Balance June 30, 2021</u> |
|--|---|-----------------------------------|--------------------------------------|----------------------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 20,712,399 | \$ - | \$ - | \$ 20,712,399 |
| Construction in progress | <u>151,690,026</u> | <u>29,558,875</u> | <u>111,345,726</u> | <u>69,903,175</u> |
| Total capital assets not being depreciated | 172,402,425 | 29,558,875 | 111,345,726 | 90,615,574 |
| Capital assets, being depreciated | | | | |
| Land improvements | 13,784,410 | 41,552 | 592,253 | 13,233,709 |
| Less accumulated depreciation | <u>(7,417,077)</u> | <u>(579,869)</u> | <u>(426,973)</u> | <u>(7,569,973)</u> |
| Land improvements, net of depreciation | 6,367,333 | (538,317) | 165,280 | 5,663,736 |
| Building and improvements | 233,997,223 | 124,434,698 | 7,773,262 | 350,658,659 |
| Less accumulated depreciation | <u>(90,538,790)</u> | <u>(5,695,728)</u> | <u>(5,684,862)</u> | <u>(90,549,656)</u> |
| Building and improvements, net of depreciation | 143,458,433 | 118,738,970 | 2,088,400 | 260,109,003 |
| Vehicles and equipment | 28,405,211 | 3,413,737 | 1,234,641 | 30,584,307 |
| Less accumulated depreciation | <u>(15,665,411)</u> | <u>(3,338,102)</u> | <u>(1,037,044)</u> | <u>(17,966,469)</u> |
| Vehicles and equipment, net of depreciation | 12,739,800 | 75,635 | 197,597 | 12,617,838 |
| Total capital assets being depreciated, net | <u>162,565,566</u> | <u>118,276,288</u> | <u>2,451,277</u> | <u>278,390,577</u> |
| Total all capital assets, net | <u>\$ 334,967,991</u> | <u>\$ 147,835,163</u> | <u>\$ 113,797,003</u> | <u>\$ 369,006,151</u> |

Depreciation expense was charged to the following governmental functions:

| | |
|-----------------------------------|---------------------|
| Instruction | \$ 8,177,799 |
| Support services | 1,260,857 |
| Enterprise and community services | <u>175,043</u> |
| Total depreciation expense | <u>\$ 9,613,699</u> |

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

1. Construction In Progress

In fulfilling the bond objectives, Tigard Tualatin School District completed the following projects during the 2020-21:

- Twality Middle School replacement
- Phase II Tigard High School Expansion and Renovation (auxiliary gym, and athletic areas and final phase of commons area)
- Phase III Tigard High School Parking Lot
- Tualatin High School and Hazelbrook Middle School Paving Projects
- 6 Vestibule projects (Alberta Rider, CF Tigard, Deer Creek, Metzger and Tualatin Elementary Schools; and Hazelbrook Middle School)
- Byrom Elementary School & Hibbard Roof Renovations Projects
- New cameras district-wide to improve school safety
- Interior Door Lock Replacement district-wide to improve classroom safety
- Tualatin High School Track Shed
- Soccer Covered Bleacher Project
- Alberta Rider Elementary School Track

Projects under construction include:

- Templeton Core Early Learning and Training Facility
- Art Rutkin Elementary School
- Mechanical Upgrades: Byrom, Mary Woodward, Bridgeport and Durham Elementary Schools
- Interior Flooring Projects at Mary Woodward & Bridgeport Elementary Schools
- Field Restoration at Twality Middle School
- Tigard High School Auditorium/Cafeteria Roof

Summer 2022 Start Date

- Safety & Security: Access Control Software upgrade
- Exterior Envelope Repairs Mary Woodward & Byrom Elementary Schools
- Fowler Middle School HVAC replacement
- Tualatin High School HVAC Replacement (2 Units)
- Tualatin High School Solar Panel Installation
- Fire Alarm Upgrades (Tualatin High School, Hazelbrook Middle School, C.F Tigard and Mary Woodward Elementary Schools)
- Hazelbrook Middle School Mechanical Upgrades
- Playground blacktop replacement at Bridgeport, Byrom and Mary Woodward Elementary Schools
- Portable Ramps replacement (removing wood ramps with metal ADA ramps)
- Adding drinking fountains/bottle fillers throughout the district
- Tigard High School Theater Curtains & Rigging

D. DEFERRED INFLOWS

Governmental funds report deferred inflows or items not available to meet current requirements. This consists of property taxes not received within 60 days of year end. Deferred inflows and outflows related to pension plans can be found in Note F – Pension Plan.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

| Description | Deferred inflow amounts |
|--|----------------------------|
| Delinquent property taxes, general fund | \$ 878,399 |
| Delinquent property taxes, debt service fund | 270,345 |
| Total | \$ 1,148,744 |

E. ACCRUED LIABILITIES

Accrued liabilities reported by governmental funds at June 30, 2021, were as follows:

| | General Fund | Capital Fund | Special Revenue Fund | Total Governmental Funds | Internal Service Fund | Total |
|-------------------------------------|----------------------|----------------------|----------------------------|--------------------------------|--------------------------|----------------------|
| Accounts payable | \$ 2,058,570 | \$ 10,013,313 | \$ 915,516 | \$ 12,987,399 | \$ 5,822 | \$ 12,993,221 |
| Accrued payroll and related charges | 10,928,286 | - | - | 10,928,286 | 15,022 | 10,943,308 |
| Net liabilities | \$ 12,986,856 | \$ 10,013,313 | \$ 915,516 | \$ 23,915,685 | \$ 20,844 | \$ 23,936,529 |

F. PENSION PLAN

Oregon Public Employees Retirement System (PERS)

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2020-CAFR.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
 - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results. A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

- ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2021 were \$19,683,427, excluding amounts to fund employer specific liabilities.

In addition approximately \$3,839,008 in employee contributions were paid or picked up by the District in fiscal 2021. At June 30, 2021, the District reported a net pension liability of \$168,317,326 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2018. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2020 and 2019, the District's proportion was .771 percent and .807 percent, respectively. Pension expense for the year ended June 30, 2021 was \$18,464,344.

The rates in effect for the year ended June 30, 2021 were:

- (1) Tier 1/Tier 2 – 27.59%
- (2) OPSRP general services – 22.14%

| | Deferred Outflow of Resources | Deferred Inflow of Resources |
|---|----------------------------------|---------------------------------|
| Difference between expected and actual experience | \$ 7,407,999 | \$ - |
| Changes in assumptions | 9,033,059 | 316,500 |
| Net difference between projected and actual earnings on pension plan investments | 19,791,931 | - |
| Net changes in proportionate share | - | - |
| Differences between District contributions and proportionate share of contributions | 977,132 | 6,261,775 |
| Subtotal - Amortized Deferrals (below) | <u>1,465,530</u> | <u>158,351</u> |
| District contributions subsequent to measuring date | 38,675,651 | 6,736,626 |
| Deferred outflow (inflow) of resources | <u>19,683,427</u> | <u>-</u> |
| | <u>\$ 58,359,078</u> | <u>\$ 6,736,626</u> |

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2022.

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

| Year ending June 30, | Amount |
|----------------------|----------------------|
| 2022 | \$ 7,024,751 |
| 2023 | 10,173,485 |
| 2024 | 8,961,164 |
| 2025 | 5,930,524 |
| 2026 | (150,900) |
| Thereafter | - |
| Total | <u>\$ 31,939,024</u> |

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 5, 2021. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2020-CAFR.pdf>

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Actuarial Valuations – The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumptions:

| | |
|---------------------------|--|
| Valuation date | December 31, 2018 |
| Experience Study Report | 2018, Published July 24, 2019 |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level percentage of payroll |
| Asset valuation method | Market value of assets |
| Inflation rate | 2.50 percent |
| Investment rate of return | 7.20 percent |
| Discount rate | 7.20 percent |
| Projected salary increase | 3.50 percent |
| Cost of Living Adjustment | Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service |
| Mortality | Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. |

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Assumed Asset Allocation:

| Asset Class/Strategy | Low Range | High Range | OIC Target |
|-----------------------------|------------------|-------------------|-------------------|
| Debt Securities | 15.0% | 25.0% | 20.0% |
| Public Equity | 27.5% | 37.5% | 32.5% |
| Real Estate | 9.5% | 15.5% | 12.5% |
| Private Equity | 14.0% | 21.0% | 17.5% |
| Alternative Investments | 7.5% | 17.5% | 15.0% |
| Opportunity Portfolio | 0.0% | 3.0% | 0.0% |
| Risk Parity | 0.0% | 2.5% | 2.5% |
| Total | | | 100.0% |

(Source: June 30, 2020 PERS ACFR; p. 102)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in May 2019 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

| Asset Class | Target Allocation | Compound Annual (Geometric) Return |
|-----------------------------------|--------------------------|---|
| Core Fixed Income | 9.60% | 4.07% |
| Short-Term Bonds | 9.60% | 3.68% |
| Bank/Leveraged Loans | 3.60% | 5.19% |
| High Yield Bonds | 1.20% | 5.74% |
| Large/Mid Cap US Equities | 16.17% | 6.30% |
| Small Cap US Equities | 1.35% | 6.68% |
| Micro Cap US Equities | 1.35% | 6.79% |
| Developed Foreign Equities | 13.48% | 6.91% |
| Emerging Market Equities | 4.24% | 7.69% |
| Non-US Small Cap Equities | 1.93% | 7.25% |
| Private Equity | 17.50% | 8.33% |
| Real Estate (Property) | 10.00% | 5.55% |
| Real Estate (REITS) | 2.50% | 6.69% |
| Hedge Fund of Funds - Diversified | 1.50% | 4.06% |
| Hedge Fund - Event-driven | 38.00% | 5.59% |
| Timber | 1.13% | 5.61% |
| Farmland | 1.13% | 6.12% |
| Infrastructure | 2.25% | 6.67% |
| Commodities | 1.13% | 3.79% |
| <i>Assumed Inflation - Mean</i> | | 2.50% |

(Source: June 30, 2020 PERS ACFR; p. 74)

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Discount Rate – The discount rate used to measure the total pension liability was 7.20 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate – the following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (6.20 percent) or one percent higher (8.20 percent) than the current rate.

| | 1% Decrease (6.20%) | Discount Rate (7.20%) | 1% Increase (8.20%) |
|---|---------------------------|-----------------------------|---------------------------|
| District's proportionate share of the net pension liability | \$ 249,937,328 | \$ 168,317,326 | \$ 99,875,171 |

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer’s reporting date that are expected to have a significant effect on the employer’s share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2020 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Deferred Compensation Plan

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of resignation, death, disability, or retirement; unforeseeable emergency; or by requesting a de minimis distribution from inactive accounts valued less than \$5,000. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the District are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member’s IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits:

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions:

Employees of the District pay six (6) percent of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2021.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

G. SINGLE EMPLOYER PENSION PLAN (GASB#73)

Plan Description: The District has established early retirement programs for licensed employees and administrators under a single-employer defined benefit pension plan resulting from collective bargaining agreements. The programs provide post-employment stipends for licensed employees and administrators who are at least 55 years of age. Administrators must have worked for the District at least 12 years and licensed employees must have worked for the District at least 15 years. The early retirement plans were discontinued as of July 1, 1993, for licensed employees and July 1, 1995, for administrators. Any new employees hired after these dates are not eligible to participate in the plans. Stipends will be paid to early retirees under the following schedule until the earlier of death, reemployment or age 62 when the early retiree qualifies for social security benefits:

| | Licensed Employees | | Administrators | |
|-------------------------------|--------------------------|----------------------------|--------------------------|----------------------------|
| | Maximum Monthly Payments | Maximum Number of Payments | Maximum Monthly Payments | Maximum Number of Payments |
| Retired During Periods | | | | |
| July 1, 1991 to June 30, 2016 | \$ 525 | 60 | \$ 450 | 48 |

During the period the administrator receives these payments, he or she will perform up to 15 days of service per year for the District. If the administrator refuses or declines to perform such service, the amount of compensation shall be reduced by an amount equal to the daily compensation rate at the time of retirement, multiplied by the number of requested days of service that the administrator refuses or declines to perform. Licensed employees do not have a service obligation. As of the valuation date of June 30, 2019, there are no active administrators eligible to receive a stipend upon retirement.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

Plan membership consisted of the following as of the most recent actuarial valuation at June 30, 2020:

| | |
|---|-----------|
| Retirees and beneficiaries currently receiving benefits | 13 |
| Active employees | <u>25</u> |
| Total | <u>38</u> |

An additional 40 retirees are participating in a new early retirement incentive effective in July 2021.

Funding Policy: The benefits from this program are fully paid and, consequently, no contributions by employees are required. There is no obligation to fund these benefits in advance. The only obligation is to make current benefit payments due each fiscal year. Payments are made on a pay-as-you-go basis each year out of the General Fund.

Actuarial Methods and Assumptions: The District engaged an actuary to perform an evaluation as of June 30, 2020 using entry age normal, level percent of salary Actuarial Cost Method. The Single Employer Pension Plan and the Other Post Employment Health Insurance Subsidy, (Note I), liability was determined using the following actuarial assumptions, applied to all periods including the measurement:

| | |
|---------------------------------|-------|
| Discount Rate per year | 2.21% |
| General Inflation Rate per year | 2.50% |
| Salary Scale per year | 3.50% |

Mortality rates were based are the same rates that were used for school district employees in the December 31, 2018 actuarial valuation of the Oregon Public Employees Retirement System.

Turnover rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by years of service.

Disability rates were based on the percentages developed for the valuation benefits under Oregon PERS and vary by employee age.

Retirement rates were calculated based on age and years of service with the assumption that 100% of employees eligible for the District's Post-Employment Health Care Benefit Plan (direct employer subsidy) will elect coverage at retirement, 60% of these retirees elect to cover a spouse, and 30% elect to cover a child.

The projection of benefits for financial reporting purpose does not explicitly incorporate the potential effects of legal or contractual funding limitations.

| | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|--|---------------------|-------------------|-------------------|
| Total Stipend Pension Liability - Beginning | \$ 639,312 | \$ 528,826 | \$ 672,305 |
| Changes for the Year: | | | |
| Service Cost | 11,073 | 10,699 | 15,128 |
| Interest | 12,937 | 10,082 | 15,557 |
| Changes of Benefit Terms | 878,919 | - | - |
| Differences Between Expected and Actual Experience | - | 226,941 | - |
| Changes of Assumptions or Other Input | - | 8,040 | - |
| Benefit Payments | <u>(107,895)</u> | <u>(145,276)</u> | <u>(174,164)</u> |
| Net Changes for the Year | 795,034 | 110,486 | (143,479) |
| Total Stipend Pension Liability - Ending | <u>\$ 1,434,346</u> | <u>\$ 639,312</u> | <u>\$ 528,826</u> |

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Sensitivity of the Single Employer Pension Plan Benefit Liability to Changes in Discount Rates: The following presents the Single Employer Pension Plan Benefit Liability, calculated using the discount rate of 2.21 percent, as well as what the liability would be if it was calculated using a discount rate 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current rate:

| | 1% Decrease 1.21% Discount Rate | Current Rate 2.21% Discount Rate | 1% Increase 3.21% Discount Rate |
|---|---------------------------------------|--|---------------------------------------|
| Total Pension Liability | \$ 1,456,332 | \$ 1,434,346 | \$ 1,411,442 |
| | | Deferred Outflow of Resources | Deferred Inflow of Resources |
| Difference between expected and actual experience | | \$ 81,141 | \$ - |
| Changes in assumptions | | 5,446 | - |
| Deferred outflow (inflow) of resources | | <u>\$ 86,587</u> | <u>\$ -</u> |

Amounts reported as deferred outflows or inflow of resources related to stipend liability will be recognized in pension expense as follows:

| Year ending June 30, | Amount |
|----------------------|------------------|
| 2021 | \$ 79,009 |
| 2022 | 7,578 |
| 2023 | - |
| 2024 | - |
| 2025 | - |
| Thereafter | - |
| Total | <u>\$ 86,587</u> |

Aggregate amounts for all pension plans:

| | Pension Liability | Deferred Outflows of Resources | Deferred Inflows of Resources | Pension Expense |
|--|-----------------------|--------------------------------------|-------------------------------------|----------------------|
| Oregon Public Employees Retirement System (PERS) | \$ 168,317,326 | \$ 58,359,078 | \$ 6,736,626 | \$ 18,464,344 |
| District Stipend Pension Plan | <u>1,434,346</u> | <u>86,587</u> | <u>-</u> | <u>897,612</u> |
| Total | <u>\$ 169,751,672</u> | <u>\$ 58,445,665</u> | <u>\$ 6,736,626</u> | <u>\$ 19,361,956</u> |

H. OTHER POSTEMPLOYMENT BENEFITS (GASB #75)

Postemployment Health Benefit Plan – (RHIA)

Plan Description:

As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Funding Policy:

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating districts are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2021. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The District's contributions to RHIA for the years ended June 30, 2019, 2020 and 2021 were \$362,092, \$91,096 and \$18,932, respectively, which equaled the required contributions each year.

At June 30, 2021, the District reported a net OPEB liability/(asset) of (\$2,599,249) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2020, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2018. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2020 and 2019, the District's proportion was 1.28 percent and .69 percent, respectively. OPEB expense for the year ended June 30, 2021 was (\$748,163).

Components of OPEB Expense/(Income):

| | |
|---|---------------------|
| Employer's proportionate share of collective system OPEB Expense/(Income) | \$ (418,064) |
| Net amortization of employer-specific deferred amounts from: | |
| - Changes in proportionate share (per paragraph 64 of GASB 75) | (321,138) |
| - Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75) | - |
| Employer's Total OPEB Expense/(Income) | <u>\$ (739,202)</u> |

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Components of Deferred Outflows/Inflows of Resources:

| | Deferred Outflow of Resources | Deferred Inflow of Resources |
|---|----------------------------------|---------------------------------|
| Difference between expected and actual experience | \$ - | \$ 265,719 |
| Changes in assumptions | - | 138,163 |
| Net difference between projected and actual earnings on pension plan investments | 289,057 | - |
| Net changes in proportionate share | - | 605,248 |
| Differences between District contributions and proportionate share of contributions | - | - |
| Subtotal - Amortized Deferrals (below) | 289,057 | 1,009,130 |
| District contributions subsequent to measuring date | 18,932 | - |
| Deferred outflow (inflow) of resources | <u>\$ 307,989</u> | <u>\$ 1,009,130</u> |

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2022.

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

| <u>Year ending June 30,</u> | <u>Amount</u> |
|-----------------------------|---------------------|
| 2022 | \$ (578,931) |
| 2023 | (339,174) |
| 2024 | 106,853 |
| 2025 | 91,180 |
| 2026 | - |
| Thereafter | - |
| Total | <u>\$ (720,072)</u> |

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2020. That independently audited report was dated March 5, 2021 and can be found at:

https://www.oregon.gov/pers/EMP/Documents/GASB/2020/GASB_75_FYE_6.30.2020.pdf

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Actuarial Methods and Assumptions:

| | |
|----------------------------------|--|
| Valuation Date | December 31, 2018 |
| Experience Study Report | 2018, Published July 24, 2019 |
| Actuarial cost method | Entry Age Normal |
| Inflation rate | 2.50 percent |
| Investment rate of return | 7.20 percent |
| Discount rate | 7.20 percent |
| Projected salary increase | 3.50 percent |
| Retiree healthcare participation | Healthy retirees: 32%; Disabled retirees: 20% |
| Mortality | Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. |

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2020 was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in May 2019 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

| Asset Class | Target Allocation | Compound Annual (Geometric) Return |
|-----------------------------------|--------------------------|---|
| Core Fixed Income | 9.60% | 4.07% |
| Short-Term Bonds | 9.60% | 3.68% |
| Bank/Leveraged Loans | 3.60% | 5.19% |
| High Yield Bonds | 1.20% | 5.74% |
| Large/Mid Cap US Equities | 16.17% | 6.30% |
| Small Cap US Equities | 1.35% | 6.68% |
| Micro Cap US Equities | 1.35% | 6.79% |
| Developed Foreign Equities | 13.48% | 6.91% |
| Emerging Market Equities | 4.24% | 7.69% |
| Non-US Small Cap Equities | 1.93% | 7.25% |
| Private Equity | 17.50% | 8.33% |
| Real Estate (Property) | 10.00% | 5.55% |
| Real Estate (REITS) | 2.50% | 6.69% |
| Hedge Fund of Funds - Diversified | 1.50% | 4.06% |
| Hedge Fund - Event-driven | 38.00% | 5.59% |
| Timber | 1.13% | 5.61% |
| Farmland | 1.13% | 6.12% |
| Infrastructure | 2.25% | 6.67% |
| Commodities | 1.13% | 3.79% |
| <i>Assumed Inflation - Mean</i> | | <i>2.50%</i> |

(Source: June 30, 2020 PERS ACFR; p. 74)

Sensitivity of the District's proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the District's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (6.20 percent) or one percent higher (8.20 percent) than the current rate.

| | 1% Decrease (6.20%) | Discount Rate (7.20%) | 1% Increase (8.20%) |
|--|---------------------------|-----------------------------|---------------------------|
| District's proportionate share of the net OPEB liability (asset) | \$ (2,098,456) | \$ (2,599,249) | \$ (3,027,447) |

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2020 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

I. OTHER POSTEMPLOYMENT BENEFITS (GASB #75)

Postemployment Health Insurance Subsidy

Plan Description

The District participates in the Oregon Educators Benefit Board, a statewide agent multiple-employer health benefit plan that provides health, dental, and vision insurance benefits to eligible employees, retirees, and their beneficiaries. For those retirees that qualify for District paid insurance benefits post retirements (explicit benefits) under various collective bargaining agreements, the District acts as a trustee in capacity for those resources. As of June 30, 2020, there are 1,290 active and 90 retired members in the District's implicit subsidy plan and 32 active and 36 retired members in the explicit subsidy plan. Benefits and eligibility for members covered by the District-paid defined benefit OPEB plan are established through the collective bargaining agreements.

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employee and retirees. The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members and the amount of retiree healthcare premiums represents the District's implicit employer contribution.

Funding Policy

The benefits from this program are paid either by the District or by the retired employees on a self-pay basis. The annual required contribution is based on projected pay-as-you go financing requirements. There is no obligation on the part of the District to fund these benefits in advance.

Components of OPEB Expense/(Income)

| | |
|----------------------------------|-------------------|
| Service cost | \$ 228,985 |
| Interest cost | 164,977 |
| Expected earnings | - |
| Change in benefits | - |
| Recognition of deferred outflows | 234,404 |
| Recognition of deferred inflows | <u>(47,212)</u> |
| Total OPEB Expense | <u>\$ 581,154</u> |

Components of Deferred Outflows/Inflows of Resources:

| | <u>Deferred Outflow of Resources</u> | <u>Deferred Inflow of Resources</u> |
|---|--|---|
| Difference between expected and actual experience | \$ 1,084,612 | \$ - |
| Changes in assumptions | <u>442,231</u> | <u>260,131</u> |
| Deferred outflow/inflow of resources | <u>\$ 1,526,843</u> | <u>\$ 260,131</u> |

The amount of contribution subsequent to measurement date is not included as a reduction of the net OPEB liability (asset) in the fiscal year June 30, 2021.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

| | June 30, 2021 | June 30, 2020 | June 30, 2019 |
|---|---------------------|---------------------|---------------------|
| Total OPEB Liability, Beginning of year | \$ 8,131,056 | \$ 8,249,919 | \$ 9,311,641 |
| Difference between actual and expected income | - | - | - |
| Benefit payments - Explicit Medical | (752,501) | (840,668) | (905,990) |
| Benefit payments - Implicit Medical | (579,601) | (610,673) | (659,825) |
| Service cost | 228,985 | 221,242 | 248,231 |
| Interest on total OPEB liability | 164,977 | 166,286 | 255,862 |
| Changes in benefit terms | - | - | - |
| Changes in assumptions | - | 552,789 | - |
| Experience (gain), loss | - | 392,161 | - |
| Total OPEB Liability, End of year | <u>\$ 7,192,916</u> | <u>\$ 8,131,056</u> | <u>\$ 8,249,919</u> |

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

| Year ending June 30, | Amount |
|----------------------|---------------------|
| 2021 | \$ 187,192 |
| 2022 | 187,192 |
| 2023 | 187,192 |
| 2024 | 187,192 |
| 2025 | 187,192 |
| 2026 | 187,192 |
| Subsequent years | 330,752 |
| Total | <u>\$ 1,453,904</u> |

Actuarial Methods and Assumptions

The Oregon Legislative Assembly passed a law (Senate Bill 1067) that limits the annual increase in premiums paid by PEBB to 3.4%. The Legislature controls the budget for OEBB. The annual OPEB cost for the plan was determined as part of the June 30, 2018 actuarial evaluation using the following methods and assumptions:

| | |
|-------------------------------|--|
| Actuarial cost method | Entry Age Normal Level Percent of Pay |
| Amortization method | Level dollar |
| Remaining amortization period | 30-year open amortization period |
| Inflation rate | 2.50% |
| Healthcare cost trend | |
| Medical | 3.40% |
| Dental | 3.4% initially downgrading to 3% in subsequent years |
| Vision | 3% |

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Discount Rate

A 2.21 percent discount rate is used. The discount rate represents the estimated long-term investment yield on the plan assets expected to be used to finance the payment of the OPEB plan.

Sensitivity of the District's proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the District's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 2.21 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current rate.

| | | | |
|----------------------|----------------|----------------|----------------|
| | <u>(1.21%)</u> | <u>(2.21%)</u> | <u>(3.21%)</u> |
| Total OPEB liability | \$ 7,528,397 | \$ 7,192,916 | \$ 6,869,542 |

The following presents the District's proportionate share of the net health care trends calculated using the discount rate of 3.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00 percent) or 1-percentage-point higher (4.00 percent) than the current rate.

| | | | |
|----------------------|--------------------|------------------------------|--------------------|
| | | Current Health Care Trend | |
| | <u>1% Decrease</u> | <u>Rates</u> | <u>1% Increase</u> |
| Total OPEB liability | \$ 6,686,038 | \$ 7,192,916 | \$ 7,769,499 |

Aggregate amount for all OPEB plans

| | <u>Total OPEB Liability/(Asset)</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> | <u>OPEB Expense</u> |
|--|---|---|--|---------------------|
| Postemployment health benefit plan - RHIA | \$ (2,599,249) | \$ 307,989 | \$ 1,009,130 | \$ 748,163 |
| Postemployment Health Insurance Subsidy | <u>7,192,916</u> | <u>1,526,843</u> | <u>260,131</u> | <u>750,948</u> |
| Total | <u>\$ 4,593,667</u> | <u>\$ 1,834,832</u> | <u>\$ 1,269,261</u> | <u>\$ 1,499,111</u> |

J. DEFERRED COMPENSATION

The District has a deferred compensation plan available for its employees. The deferred compensation plan is one that is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the plan administrator for the sole benefit of the plan participants and are not considered assets and liabilities of the District. As of June 30, 2021, 28 employees were participating in the plan.

K. TAX SHELTERED ANNUITY

The District offers its employees a tax deferred annuity program established pursuant to Section 403(b) of the Internal Revenue Code (the Code). Contributions are made through salary reductions from participating employees up to the amounts specified in the Code. No contributions are required by law from the District. As of June 30, 2021, 492 employees were participating in the plan.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

L. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

In December 1998 the District entered into an agreement with Lowe’s Hardware Corporation to lease the Phil Lewis elementary school site for a period of 30 years. The District accounts for this transaction as a direct sales financing lease. During the fiscal year ending June 30, 2021, the District received proceeds of \$868,806 that were recorded as revenue in the debt service fund. The District committed to reduce its debt service by the first \$5.5 million dollars of lease proceeds. The final debt reduction at \$33,301 was made in 2007-08. The leased property consists of two separate parcels. The lessee has a separate option to purchase each piece of property at the end of the lease. The option on the 1.52 acre parcel is no less than \$1.0 million and no greater than \$1.6 million. The option on the 10.5 acre parcel is no less than \$5.5 million and no greater than \$8.95 million.

Future payments from the Lowes lease are committed to the Full Faith and Credit debt on the New Hibbard Center through June 30, 2024.

In December 2006 the District entered into a long term commercial lease agreement with Broadway Rose Theater Company (BRTC) for the 20 year lease of the Charles F. Tigard Multipurpose Building to BRTC. Lease payments are \$1 per year and all capital improvements to the premises. The lease may be renewed in 10 year increments. In August 2019, the District entered into a re-negotiated lease with BRTC. Lease payments remain \$1 per year and all District-approved capital improvements to the premises. The new lease term is five years with the option for five five-year renewals.

The encumbrances for the capital projects fund total \$57,643,477 and are in the following categories:

| Category | Encumbrance |
|--|---------------------|
| ARCHITECT/ENGINEER SERVICES | \$2,605,304 |
| COMPUTER HARDWARE | \$1,561,465 |
| EQUIPMENT | \$657,034 |
| MAJOR IMPROVEMENT | \$51,679,963 |
| MANAGEMENT SERVICES | \$279,576 |
| OTHER PROFESSIONAL CONTRACTED SERVICES | \$479,810 |
| ONSITE IMPROVEMENTS | \$380,325 |
| Encumbrance Total as of 6.30.20 | \$57,643,477 |

M. RISK MANAGEMENT

The district is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The district uses the Insurance Internal Service Fund to account for and finance risks for worker’s compensation, unemployment, general liability and property damage. For workers’ compensation the district does not retain risk for the coverage but may pay certain medical costs to reduce the premium. The district is self-insured for unemployment cost. Comprehensive General and Automotive Liability insurance provides \$10 million basic coverage. Errors and Omissions coverage (sometimes called Difference in Conditions coverage) is in force for \$10 million. Excess coverage over the Basic and Errors and Omissions coverage is in force at \$20 million. The District does not engage in risk financing activities where the risk is retained (self-insurance) except for the deductible of \$25,000 on property insurance. The District purchases insurance for workers’ compensation, employee medical benefits, liability claims and all property losses in excess of deductible limits. There were no settlements in excess of the insurance coverage in any of the prior three fiscal years.

The risk management internal service fund is funded by charges to the district’s other funds and is based on payroll assessments for worker’s compensation and unemployment insurance. It is a based on refunds of certain prior year expenditures for the contributing funds for the property loss exposure. Rates are evaluated periodically due to economic conditions and the worker’s compensation plan is audited annually by the carrier.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

N. DEBT

The District has outstanding general obligation bonds and notes from direct borrowings and direct placements totaling \$362,020,041. No district assets are pledged as collateral. None of the District's debt has an acceleration clause. The debt terms are as follows.

1. Bonds

March, 2000 Issue - New Hibbard Center

Whenever any Event of Default exists, the Escrow Agent shall have the right to take one or any combination of the following remedial actions:

- Declare all Lease Payments and other amounts immediately due and payable; and
- Take any other action at law or in equity necessary or desirable to enforce the Lessor's rights under the Agreements.

The Bonds are not subject to optional redemption prior to maturity.

August, 2005 Refunding Issue

Insured by MBIA Insurance Corporation Policy language lists:

The MBIA Policy unconditionally and irrevocably guarantees the full and complete payment required to be made by or on behalf of the District to the Paying Agent or its successor of an amount equal to (i) the principal of (either at the stated maturity or by an advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Bonds as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed by the MBIA Policy shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration, unless MBIA elects in its sole discretion, to pay in whole or in part any principal due by reason of such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any Owner of the Bonds pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law (a "Preference").

The Bonds are not subject to optional redemption prior to maturity.

July, 2009 Issue - Thorpe Property

Remedies on Financing Default:

(A) Whenever a Financing Default shall have happened and be continuing, the Escrow Agent shall have the right, at its sole option without any further demand or notice, to exercise any remedy available at law or in equity; however, the Financing Amount and the Financing Payments shall not be subject to acceleration.

(B) The Escrow Agent shall exercise its rights hereunder only in accordance with the Escrow Agreement. No remedy referred to in this Section 5.3 is exclusive, but each shall be cumulative and in addition to any other remedy referred to herein or otherwise available to the Escrow Agent at law or in equity. In the event that the Escrow Agent exercises or begins to exercise any one or more of such remedies, such action shall not preclude the simultaneous or later exercise by the Escrow Agent of any other remedies. No express or implied waiver by the Escrow Agent of a Financing Default shall constitute a waiver of any other or subsequent Financing Default.

The Obligations coming due on and after June 1, 2020 are subject to prepayment prior to their respective payment dates in whole or in part in authorized denominations on any date on or after June 1, 2019.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

April, 2017 Issue

Upon the occurrence and continuance of any Event of Default, the Owners of fifty-one percent (51%) or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Bond Resolution or the Bonds or in aid of the exercise of any power granted in the Bond Resolution or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of the Bonds by the Bond Resolution or the Bonds or by law. However, the Bonds shall not be subject to acceleration.

Bonds are insured by the Oregon School Bond Guaranty Act.

The District may redeem all or a portion of the Bonds maturing after June 15, 2028 on June 15, 2027 or any date thereafter.

June, 2019 Issues

Upon the occurrence and continuance of any Event of Default, the Owners of fifty-one percent (51%) or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Bond Resolution or the Bonds or in aid of the exercise of any power granted in the Bond Resolution or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of the Bonds by the Bond Resolution or the Bonds or by law. However, the Bonds shall not be subject to acceleration.

Bonds are insured by the Oregon School Bond Guaranty Act.

The District may redeem all or a portion of the 2019A bonds maturing after June 15, 2030 on June 15, 2029 or any date thereafter.

The Series 2019B Bonds are not subject to optional redemption.

PERS Unfunded Actuarial Liability Bonds

Upon the occurrence and continuance of any Event of Default under the Trust Agreement, the Series 2007 Trustee may, and if the Owners of not less than 51 percent in aggregate principal amount of Series 2007 Obligations then Outstanding so request, is required to take whatever action at law or in equity may appear necessary or desirable to enforce or to protect any of the rights vested in the Series 2007 Trustee or the Owners of Series 2007 Obligations by the Trust Agreement, the Intercept Agreement or the Series 2007 Pension Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Trust Agreement or the Intercept Agreement or in aid of the exercise of any power granted in the Trust Agreement or the Intercept Agreement or for the enforcement of any other legal or equitable right vested in the Series 2007 Trustee by the Trust Agreement or by law; provided that in no event will the Series 2007 Trustee have the right to accelerate the Pension Bond Payments or the Series 2007 Obligations. The Series 2007 Trustee is not permitted to exercise remedies against a Series 2007 Issuer that has not caused a Pension Bond Default.

The Trust Agreement provides that if at any time after a Pension Bond Default has occurred, any moneys available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for under the Trust Agreement or otherwise, are required to be applied by the Series 2007 Trustee as follows:

- (1) To the payment of the interest on such Series 2007 Issuer's Pension Bonds when due.
- (2) To the payment of the principal on such Series 2007 Issuer's Pension Bonds when due.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

State Intercept Agreement: Payment of the Series 2007 Pension Bonds is also secured by an intercept agreement, pursuant to which an amount of State Education Revenues equal to each Series 2007 Issuer's Pension Bond Payments, which would otherwise be paid by the Oregon Department of Education (the "Agency") to the Series 2007 Issuer, is diverted to the Series 2007 Trustee for the purpose of paying the Pension Bond Payments.

The Obligations coming due on and after June 1, 2020 are subject to prepayment prior to their respective payment dates in whole or in part in authorized denominations on any date on or after June 1, 2019.

2. Notes from direct borrowings and direct placements.

August 2010 Issue - Tigard High School Soccer Field

If an Event of Default occurs, the Bank may exercise any remedy available at law or in equity. However, this Financing Agreement and the Financing Payments shall not be subject to acceleration. No remedy shall be exclusive.

No prepayment.

The following is a summary of long-term debt transactions of governmental activities during the year ended June 30, 2021.

| | Balance | | | Balance | |
|---|-----------------------|-------------|----------------------|-----------------------|----------------------|
| | June 30, 2020 | Additions | Reductions | June 30, 2021 | Due Within One Year |
| Bonds | | | | | |
| March, 2000 Issue - New Hibbard Center | \$ 851,939 | \$ - | \$ 263,397 | \$ 588,542 | \$ 244,559 |
| August, 2005 Refunding Issue | 13,480,000 | - | 6,575,000 | 6,905,000 | 6,905,000 |
| July, 2009 Issue - Thorpe Property | 1,830,000 | - | 430,000 | 1,400,000 | 450,000 |
| April, 2017 Issue | 194,070,000 | - | 220,000 | 193,850,000 | 455,000 |
| June, 2019 Taxable Issue | 3,735,000 | - | 310,000 | 3,425,000 | 770,000 |
| June, 2019 Issue | 90,360,000 | - | - | 90,360,000 | - |
| PERS Unfunded Actuarial Liability Bonds | 26,355,000 | - | 2,455,000 | 23,900,000 | 2,740,000 |
| Total Bonds | <u>330,681,939</u> | <u>-</u> | <u>10,253,397</u> | <u>320,428,542</u> | <u>11,564,559</u> |
| Notes from Direct Borrowings and Direct Placements | | | | | |
| August 2010 Issue - Tigard High School Soccer Field | 44,000 | - | 44,000 | - | - |
| Total Notes from Direct Borrowings and Direct Placements | <u>44,000</u> | <u>-</u> | <u>44,000</u> | <u>-</u> | <u>-</u> |
| Subtotal Debt | 330,725,939 | - | 10,297,397 | 320,428,542 | |
| Issuance Premiums and Discounts | 45,026,868 | - | 3,435,369 | 41,591,499 | |
| Total Debt | <u>\$ 375,752,807</u> | <u>\$ -</u> | <u>\$ 13,732,766</u> | <u>\$ 362,020,041</u> | <u>\$ 11,564,559</u> |

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

The following is a list of each outstanding long-term obligation of the District with related information on the terms of the instrument:

| | |
|---|-----------------------|
| General Obligation Bonds, 2005 Refunding Series, future payments due in annual installments with interest paid semi-annually at 4.125% to 5.375% through June, 2022 | \$ 6,905,000 |
| General Obligation Bonds, 2017 Series, future payments due in annual installments with interest paid semi-annually at 2% to 5% through June, 2037 | 193,850,000 |
| General Obligation Bonds, 2019 Series, Taxable, future payments due in annual installments with interest paid semi-annually at 2.05% to 2.17% through June, 2023 | 3,425,000 |
| General Obligation Bonds, 2019 Series, future payments due in annual installments with interest paid semi-annually at 4% to 5% through June, 2040 | 90,360,000 |
| Full faith and credit obligation - New Hibbard Center March, 2000 Issue, first payment due in 2008, then annual installments begin in 2013 with interest paid semi-annually at 5.5% to 6.19% through June, 2024 | 588,542 |
| Full faith and credit obligation - Thorpe Property July, 2009 Issue, future payments due annually beginning June 2012 with interest paid semi-annually at 3.0% to 4.125% through June, 2024. | 1,400,000 |
| PERS Unfunded Actuarial Liability Bonds October 2007, future payments due in annual installments with interest paid semi-annually at 4.9% to 5.6% through June 2028 | <u>23,900,000</u> |
| Total | <u>\$ 320,428,542</u> |

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Total debt service expenditures, excluding retirement benefits, for the year ended June 30, 2021, were as follows:

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--|----------------------|----------------------|----------------------|
| General Obligation Bonds series 2005 Refundin \$ | 6,575,000 | \$ 674,000 | \$ 7,249,000 |
| April 2017 Issue | 220,000 | 9,597,800 | 9,817,800 |
| Bond 2019 Series | - | 4,511,000 | 4,511,000 |
| Bond 2019 Series, Taxable | 310,000 | 79,754 | 389,754 |
| Full Faith and Credit Obligation - Thorpe Property | 430,000 | 73,806 | 503,806 |
| Full Faith and Credit Obligation - Soccer Field | 44,000 | 715 | 44,715 |
| Full Faith and Credit Obligation - Hibbard Buildin | 263,397 | 686,603 | 950,000 |
| PERS Unfunded Actuarial Liability Bonds | <u>2,455,000</u> | <u>1,480,360</u> | <u>3,935,360</u> |
| Total payments | <u>\$ 10,297,397</u> | <u>\$ 17,104,038</u> | <u>\$ 27,401,435</u> |

No interest costs were capitalized during the year.

For the 2000 Series for the purchase of the Hibbard administration building, a payment was due in 2008 of \$429,128, future payments were deferred until 2013 and payable from 2013 through 2024 with interest rates from 5.5 to 6.19 percent. The Thorpe Property bonds for the Art Rutkin School site were issued for the payment of the promissory note due in August, 2009, future principal payments were deferred until June, 2012 and are payable until June, 2024 with interest rates from 3.0 to 4.125 percent payable from December, 2009 to June 2024. The Tigard High Soccer Field debt was issued in August, 2010 with principal payments of \$44,000 due annually with an interest rate of 3.25 percent.

On October 31, 2007, the District participated with six other school districts in a pooled issuance of taxable pension obligation bonds to finance the District's estimated PERS unfunded actuarial liability. The District issued \$41,385,000 in debt as part of a pooled issuance of \$110,160,000. Except for the payment of its pension bond payment and additional charges when due, each school district has no obligation or liability to any other participating school district's pension bonds or liabilities to PERS.

PERS bond proceeds were paid to the Oregon Public Employees Retirement System. An intercept agreement with the State of Oregon was required as a condition of issuance; therefore a portion of State School Fund support is withheld on a monthly basis to repay debt. Funds are accumulated and invested by a trust officer and annual principal and interest payments are made each June 30, and December 30, beginning June 30, 2008 and ending June, 2028. The bond interest rates range from 4.9 percent to 5.6 percent. The District records the amounts deposited with PERS as a prepayment of its actuarial obligation and accounts for the payment of principal and interest as a pension expense annually. The prepayment is being amortized over the life of the bonds based on the straight-line method, as a percentage of pension bond debt service costs, over the life of the bonds. This method most closely recognized the remaining prepaid asset.

Below is a summary of the District's debt obligation debt to the year 2040.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2021

| Year Ending June 30 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027-31 | 2032-36 | 2037-41 | Total |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|---------------|----------------|
| FF&C 2000 series | | | | | | | | | |
| Principal | \$ 244,559 | \$ 229,703 | \$ 114,280 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 588,542 |
| Interest | 702,616 | 715,851 | 385,720 | - | - | - | - | - | 1,804,187 |
| FF&C Thorpe Property | | | | | | | | | |
| Principal | 450,000 | 465,000 | 485,000 | - | - | - | - | - | 1,400,000 |
| Interest | 56,606 | 38,606 | 20,006 | - | - | - | - | - | 115,219 |
| Bonds 2005 Refunding series | | | | | | | | | |
| Principal | 6,905,000 | - | - | - | - | - | - | - | 6,905,000 |
| Interest | 345,250 | - | - | - | - | - | - | - | 345,250 |
| Bonds 2007 Pension Obligation | | | | | | | | | |
| Principal | 2,740,000 | 3,045,000 | 3,375,000 | 3,730,000 | 4,110,000 | 6,900,000 | - | - | 23,900,000 |
| Interest | 1,342,463 | 1,188,557 | 1,017,520 | 827,946 | 618,432 | 521,538 | - | - | 5,516,456 |
| Bonds 2017 Series | | | | | | | | | |
| Principal | 455,000 | 5,845,000 | 6,535,000 | 7,330,000 | 8,180,000 | 55,845,000 | 87,440,000 | 22,220,000 | 193,850,000 |
| Interest | 9,591,200 | 9,577,550 | 9,352,350 | 9,033,550 | 8,674,200 | 36,320,400 | 19,405,250 | 1,111,000 | 103,065,500 |
| Bonds 2019 Series | | | | | | | | | |
| Principal | - | 700,000 | 3,720,000 | 620,000 | 780,000 | 7,185,000 | 14,030,000 | 63,325,000 | 90,360,000 |
| Interest | 4,511,000 | 4,511,000 | 4,483,000 | 4,297,000 | 4,266,000 | 20,532,000 | 18,096,250 | 9,273,250 | 69,969,500 |
| Bonds 2019 Series, Taxable | | | | | | | | | |
| Principal | 770,000 | 2,655,000 | - | - | - | - | - | - | 3,425,000 |
| Interest | 73,399 | 57,614 | - | - | - | - | - | - | 131,012 |
| Total Principal | 11,564,559.00 | 12,939,703.00 | 14,229,280.00 | 11,680,000.00 | 13,070,000.00 | 69,930,000.00 | 101,470,000.00 | 85,545,000.00 | 320,428,542 |
| Total Interest | 16,622,534 | 16,089,178 | 15,258,596 | 14,158,496 | 13,558,632 | 57,373,938 | 37,501,500 | 10,384,250 | 180,947,124 |
| Total Requirements | \$ 28,187,093 | \$ 29,028,881 | \$ 29,487,876 | \$ 25,838,496 | \$ 26,628,632 | \$ 127,303,938 | \$ 138,971,500 | \$ 95,929,250 | \$ 501,375,665 |

Advance Refunding of Debt

The District has defeased certain general obligation bonds by placing the proceeds of refunding issues in an irrevocable trust to provide for all future debt service payments on the retired bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. On June 30, 2021, \$7,120,000 of bonds outstanding is considered defeased.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

O. FUND BALANCE CONSTRAINTS

The specific purposes for each of the categories of fund balance as of June 30, 2021 are as follows:

| Fund Balances: | General Fund | Debt Service Fund | Capital Projects Fund | Special Revenue | Early Retirement | Total |
|---|----------------------|-------------------|-----------------------|---------------------|---------------------|-----------------------|
| <u>Nonspendable</u> | | | | | | |
| Prepaid & Inventory | \$ 562,444 | \$ - | \$ - | \$ 195,226 | \$ - | \$ 757,670 |
| <u>Restricted:</u> | | | | | | |
| Long Term Debt | | | | | | |
| General obligation debt | - | 641,802 | - | - | - | 641,802 |
| Full faith and credit debt | - | 126,382 | - | - | - | 126,382 |
| Pension bond debt | - | 1,257 | - | - | - | 1,257 |
| Construction excise tax agreements | - | - | 8,473,338 | - | - | 8,473,338 |
| Construction projects per ballot title | - | - | 97,373,037 | - | - | 97,373,037 |
| School donation accounts | - | - | - | 645,300 | - | 645,300 |
| Transportation equipment | - | - | - | 255,363 | - | 255,363 |
| Food service programs | - | - | - | - | - | - |
| Scrip purchases | - | - | - | 789,281 | - | 789,281 |
| Grants | - | - | - | 1,593,949 | - | 1,593,949 |
| Early Retirement Program | - | - | - | - | 3,288,826 | 3,288,826 |
| Student body funds | - | - | - | 1,395,314 | - | 1,395,314 |
| | - | 769,441 | 105,846,375 | 4,679,207 | 3,288,826 | 114,583,849 |
| <u>Committed:</u> | | | | | | |
| Facility acquisition, land purchases and leases | - | - | 4,682,450 | - | - | 4,682,450 |
| Consumables related to prior textbook adoptions | - | - | - | 670,999 | - | 670,999 |
| ESD programs and related services | - | - | - | 783,376 | - | 783,376 |
| School savings accounts | - | - | - | 908,232 | - | 908,232 |
| Facility use and parking lots | - | - | - | 1,312,211 | - | 1,312,211 |
| Educational programs | - | - | - | 1,260,381 | - | 1,260,381 |
| | - | - | 4,682,450 | 4,935,199 | - | 9,617,649 |
| <u>Assigned:</u> | | | | | | |
| Appropriation of fund balance | 8,850,177 | - | - | - | - | 8,850,177 |
| <u>Unassigned:</u> | | | | | | |
| | 25,016,915 | - | - | - | - | 25,016,915 |
| <u>Total Fund Balances</u> | \$ 34,429,536 | \$ 769,441 | \$ 110,528,825 | \$ 9,809,632 | \$ 3,288,826 | \$ 158,826,260 |

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

P. INTERFUND TRANSFERS AND DUE TO DUE FROM

| | <u>Transfer In</u> | <u>Transfer Out</u> |
|---|-----------------------------|-----------------------------|
| General Fund | \$ - | \$ 455,000 |
| Full Faith and Credit Debt Service Fund | 510,949 | 167 |
| PERS Ual Debt Service Fund | 11,155 | - |
| Capital Projects Fund | - | 510,948 |
| Special Revenue Fund | 1,375,222 | 926,211 |
| Scholarship Fund | - | 5,000 |
| | <u> </u> | <u> </u> |
| Total | <u>\$ 1,897,326</u> | <u>\$ 1,897,326</u> |

General fund transfers of \$443,845 was transferred from the General Fund to the State County Private Grants Fund for obligations to schools. In addition, \$11,155 was transferred to the Debt Service Fund for PERS payment. \$615,370 of ESSER funds (a Special Revenue Fund) was transferred to the Food Service Fund for as federal law does not allow the Food Service Fund to absorb the loss from the state Meal Provision Program that required the district to provide meals to students regardless of their ability to pay. Following the retirement of transportation debt, \$166.61 was transferred from the Full Faith and Credit Debt Service Fund to the Transportation Equipment Fund, a Special Revenue Fund reserved for transportation purchases. \$ was transferred from the Capital Projects Fund for payment of full faith and credit debt. School Associated Student Body (ASB) funds are required to transfer all funds for purchases of goods or services or payment of club funded activities and sports over \$50 to the District general fund. \$510,948 was transferred in the fiscal year for various purchases made by the general fund for the ASB fund.

The composition of due to/due from balances as of June 30, 2021 is as follows:

| | <u>Due to</u> | <u>Due from</u> |
|----------------------|---------------------|---------------------|
| General Fund | \$ - | \$ 1,990,279 |
| Special Revenue Fund | <u>1,990,279</u> | <u>-</u> |
| Total | <u>\$ 1,990,279</u> | <u>\$ 1,990,279</u> |

Balances due to or due from funds occur between funds with separate checking or state investment pool accounts. All invoices are paid through the District's general checking account and funds are then transferred to/from the fund's pool account. Receipts are deposited into the District's general checking account and transfers are made to the various separate pool accounts. The due to/due from accounts exist because of timing delays in the transfers and grant expenditures claimed in the following year.

Q. SUPPLY INVENTORIES

The supply inventory balances at June 30, 2021, are as follows:

| | |
|-----------------------------------|-------------------|
| Food Service Fund | |
| Food and supply items | \$ 33,361 |
| Values of commodities on hand | 161,865 |
| Total Inventory Food Service Fund | <u>\$ 195,226</u> |

R. COMPENSATED ABSENCES

The District does not liquidate liability for compensated absences until leave is actually taken by the employee in the governmental funds. Accrued vacation leave is considered compensated absence. The fund used to liquidate the liability is the fund where the employee's salary was charged as it is used at termination. Of the

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

balance, 93.8 percent reflects vacation salary charged to the General Fund. The liability is considered a current liability as vacation is given at the beginning of the fiscal year and must either be taken within the fiscal year or certain qualifying employees must request a payoff of the balance within one year following the fiscal year in which it was earned. Changes in compensated absences in the basic financial statement are as follows:

| | |
|--|-------------------|
| Balance at June 30, 2020 | \$ 628,277 |
| Increase in accumulated accrued compensated absences | 67,164 |
| Decrease in accumulated accrued compensated absences | <u>(49,502)</u> |
| Balance at June 30, 2021 | <u>\$ 645,939</u> |

S. TAX ABATEMENTS

As of June 30, 2021, Tigard-Tualatin School District provides tax abatements through three programs:

Vertical Housing (ORS 307.864):

1. The partial property tax exemption for vertical housing development projects exempts the property from a portion of ad valorem property taxes imposed by local districts, other than districts electing not to participate in the vertical housing development zone.

The exemption percentage is equal to 20% of the taxes for one equalized floor allocated to residential housing, 40% for two equalized floors, 60% for three equalized floors, and 80% for four or more equalized floors. The exemption begins in the first tax year the project is occupied or ready for occupancy following certification under the program and for the next nine consecutive tax years.

Enterprise Zone (ORS 285C.175):

2. The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction

Not-for-Profit Low Income Rental Housing (ORS 307.540 to 307.548):

3. In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating property tax burden on those agencies that provide this housing opportunity. The qualifying property must be located within the District.

Charitable, nonprofit organizations that provide housing to low-income persons are eligible. Organizations must be certified by the Internal Revenue Service as 501(c)(3) or (4). Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the non-profit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

Vacant land intended to be developed as low-income housing is also eligible for the exemption.

The property tax exemption applies only to the tax levy of a governing body that adopts the provisions of ORS 307.540 to 307.548.

For the fiscal year ended June 30, 2021, the District abated property taxes as follows under these programs:

| | | |
|--|----|----------------|
| Enterprise Zone | \$ | 40,000 |
| Nonprofit Corporation Low Income Housing | | 397,000 |
| Vertical Housing | | 69,000 |
| Total | \$ | <u>506,000</u> |

PROPERTY TAX LIMITATIONS

The State of Oregon imposes a constitutional limit on property taxes for schools and non-school government operations. School operations include community colleges, local school districts and education service districts. The limitation provides that property taxes for school operations are limited to \$5 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The District also may levy a local option tax within the constitutional limits of the state. The result of this requirement has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue.

The state further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10 percent and limiting future tax value growth of each property to no more than 3 percent per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The state constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the state to minimize the impact to school districts from the impact of the tax cuts.

T. CONTINGENCIES

Federal and State grants are subject to audit by the grantor agencies and any adjustments may become a liability of the appropriate fund. Management believes that adjustments, if any, will not materially affect the District's results of operations or financial position.

The District receives a substantial portion of its operating funds from the State of Oregon. State funding is determined by state wide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate, they can cause the District to have either increases or decreases in revenue. Due to these future economic uncertainties at the state level, the effect on the District's operations cannot be determined.

U. SUBSEQUENT EVENTS

On November 22, 2021, the District executed an offer to purchase land agreement to sell a portion of Art Rutkin Elementary school site property to an adjacent property owner for \$133,579.

In December 2021, the District amended the price agreement with the general contractor for the Art Rutkin Elementary School project to account for materials cost escalation and installing all-weather turf on the soccer field for \$959,468.

V. COVID-19

The COVID-19 outbreak in the United States has caused disruption through mandated and voluntary closure of government and business activities. These developments are expected to impact District revenues. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, the District expects this matter to negatively affect its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
June 30, 2021

W. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT

A restatement was presented to the beginning fund balances of the governmental funds and beginning net position in the amount of \$2,897,021 for the reclassification of the Early Retirement Fund due to the implementation of GASB Statement No. 84.

A prior period adjustment was reported on the Statement of Activities in the amount of \$1,722,286 for the correction of depreciation of capital assets attributed to prior years.

Required Supplementary Information

Notes to Required Supplementary Information

1. No budgetary expenditures were in excess of appropriations during the year.
2. The budgetary basis of accounting for all funds is modified accrual, which is the same as that required by generally accepted accounting principles. Accordingly, no reconciliation of budgetary to generally accepted accounting principles activity is required.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Required Supplementary Information

Oregon Public Employees Retirement System (PERS)

For the fiscal year ended June 30, 2021

Schedule of the proportionate share of the net pension liability

| | (a) | (b) | (c) | (b/c) | |
|---------------------|--|--|----------------------------|--|--|
| Year Ended June 30, | Employer's proportion of the net pension liability (NPL) | Employer's proportion share of the net pension liability (NPL) | District's covered payroll | NPL as a percentage of covered payroll | Plan fiduciary net position as a percentage of the total pension liability |
| 2021 | 0.77 % | \$ 168,317,326 | \$ 81,930,319 | 205.4 % | 75.8 % |
| 2020 | 0.81 | 139,639,948 | 77,817,833 | 179.4 | 80.2 |
| 2019 | 0.82 | 123,734,963 | 74,681,204 | 165.7 | 82.1 |
| 2018 | 0.79 | 107,062,705 | 68,066,024 | 157.3 | 83.1 |
| 2017 | 0.84 | 126,576,120 | 63,017,760 | 200.9 | 80.5 |
| 2016 | 0.93 | 53,557,423 | 58,462,876 | 91.6 | 91.9 |
| 2015 | 0.99 | (22,549,161) | 55,583,469 | (40.6) | 103.6 |
| 2014 | 0.99 | 50,765,839 | 56,236,916 | 90.3 | 92.0 |

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Schedule of contributions

| | Statutorily required contribution | Contributions in relation to the statutorily required contribution | Contribution deficiency (excess) | Employer's covered payroll | Contributions as a percent of covered payroll |
|------|-----------------------------------|--|----------------------------------|----------------------------|---|
| 2021 | \$ 19,683,427 | \$ 19,683,427 | \$ - | \$ 82,790,428 | 23.8 % |
| 2020 | 19,093,671 | 19,093,671 | - | 81,930,319 | 23.3 |
| 2019 | 14,315,591 | 14,315,591 | - | 77,817,833 | 18.4 |
| 2018 | 14,077,225 | 14,077,225 | - | 74,681,204 | 18.8 |
| 2017 | 9,730,018 | 9,730,018 | - | 68,066,024 | 14.3 |
| 2016 | 9,879,137 | 9,879,137 | - | 63,017,760 | 15.7 |
| 2015 | 10,481,174 | 10,481,174 | - | 58,462,876 | 17.9 |
| 2014 | 9,995,572 | 9,995,572 | - | 55,583,469 | 18.0 |

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Required Supplementary Information

SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS (OPEB) LIABILITY - RHIA

For the Year Ended June 30 2021

Schedule of changes in the total OPEB liability

| Year ended | Service Cost | Difference Between Expected and Actual Experience | Changes in Assumptions | Difference Between Projected and Actual Investment Earnings | Employer Actual Contributions | Change in Employer Proportion | Employer Total Expense |
|------------|--------------|---|------------------------|---|-------------------------------|-------------------------------|------------------------|
| 2021 | \$ - | \$ (265,719) | \$ (138,163) | \$ 289,057 | \$ (18,932) | \$ (605,248) | \$ (739,202) |
| 2020 | | (174,559) | (1,371) | (81,706) | (91,096) | (7,238) | 176,503 |
| 2019 | - | (42,760) | (2,394) | (162,669) | (342,018) | (4,213) | 72,786 |
| 2018 | - | - | - | (126,546) | (325,946) | (1,431) | 937 |

Schedule of total OPEB liability and related ratios

| Year ended | Total OPEB liability beginning (asset) | Net change in total OPEB liability (asset) | Total OPEB liability (asset) ending | Covered payroll | Total OPEB liability as a percentage of covered payroll | Discount Rate |
|------------|--|--|-------------------------------------|-----------------|---|---------------|
| 2021 | \$ (1,323,723) | \$ 3,922,972 | \$ 2,599,249 | \$ 81,930,319 | 3.17% | 7.20% |
| 2020 | (754,501) | (569,222) | (1,323,723) | 77,817,833 | -1.70% | 7.20% |
| 2019 | (273,233) | (481,268) | (754,501) | 74,681,204 | -1.01% | 7.20% |
| 2018 | 179,753 | (452,986) | (273,233) | 68,066,024 | -0.40% | 7.50% |

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2018.

**SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
AND RELATED RATIOS STIPEND BENEFITS
For the Year Ended June 30, 2021**

| | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|---|-------------------|-------------------|-------------------|---------------------|
| Total Pension Liability at June 30 | \$ 704,102 | \$ 672,305 | \$ 528,826 | \$ 639,312 |
| Changes for the year: | | | | |
| Service Cost | 12,684 | 13,128 | 10,699 | 11,073 |
| Change in Assumptions | - | - | - | - |
| Interest | 18,523 | 17,557 | 10,082 | 12,937 |
| Differences Between Expected and Actual Experience | - | - | - | - |
| Changes of Assumptions or Other Input | 89,174 | - | 8,040 | 878,919 |
| Experience Gain or Loss | 21,142 | - | 226,941 | - |
| Benefit Payments | <u>(173,320)</u> | <u>(174,564)</u> | <u>(145,276)</u> | <u>(107,895)</u> |
| Net Changes for the Year | (31,797) | (143,879) | 110,486 | 795,034 |
| Total Pension Liability at June 30 | <u>\$ 672,305</u> | <u>\$ 528,426</u> | <u>\$ 639,312</u> | <u>\$ 1,434,346</u> |
| Covered Payroll | \$ 3,050,913 | \$ 3,157,695 | \$ 1,984,231 | \$ 2,053,679 |
| Net Single Employer Pension Plan as a Percentage of Covered Payroll | 22.04% | 16.73% | 32.22% | 69.84% |

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2018.

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73/75 in the fiscal year ending June 30, 2018.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Required Supplementary Information

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
HEALTH INSURANCE SUBSIDY
For the Year Ended June 30, 2021**

| | 2018 | 2019 | 2020 | 2021 |
|--|---------------------|---------------------|---------------------|---------------------|
| Total OPEB Liability at June 30 | \$ 9,489,757 | \$ 9,311,641 | \$ 8,249,919 | \$ 8,131,056 |
| Changes for the year: | | | | |
| Service Cost | 239,837 | 248,231 | 221,242 | 228,985 |
| Change in Assumptions | - | - | - | - |
| Interest | 261,281 | 255,862 | 166,286 | 164,977 |
| Differences Between Expected and Actual Experience | - | - | - | - |
| Changes of Assumptions or Other Input | (448,979) | - | 552,789 | - |
| Experience Gain or Loss | 1,330,517 | - | 392,161 | - |
| Benefit Payments | <u>(1,560,772)</u> | <u>(1,565,815)</u> | <u>(1,451,341)</u> | <u>(1,332,102)</u> |
| Net Changes for the Year | (178,116) | (1,061,722) | (118,863) | (938,140) |
| Total OPEB Liability at June 30 | <u>\$ 9,311,641</u> | <u>\$ 8,249,919</u> | <u>\$ 8,131,056</u> | <u>\$ 7,192,916</u> |
| Covered Payroll | \$ 69,640,084 | \$ 74,591,374 | \$ 74,591,374 | \$ 77,202,072 |
| Total OPEB Plan as a Percentage of Covered Payroll | 13.37% | 11.06% | 10.90% | 9.32% |

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2018.

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73/75 in the fiscal year ending June 30, 2018.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Required Supplementary Information

*General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2021*

| | Adopted Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------------|--------------------|--|
| Revenues | | | | |
| Taxes - regular | \$ 58,153,000 | \$ 58,153,000 | \$ 60,043,054 | \$ 1,890,054 |
| Taxes - local option | 9,341,400 | 9,341,400 | 10,135,689 | 794,289 |
| Local sources | 2,082,265 | 2,082,265 | 935,892 | (1,146,373) |
| Intermediate sources | 2,270,000 | 2,270,000 | 1,374,465 | (895,535) |
| State sources | 78,032,442 | 78,032,442 | 77,430,785 | (601,657) |
| Federal sources | - | - | 12,306 | 12,306 |
| Investment earnings | 1,000,000 | 1,000,000 | 400,180 | (599,820) |
| Total revenues | 150,879,107 | 150,879,107 | 150,332,371 | (546,736) |
| Expenditures | | | | |
| Current | | | | |
| Instruction | 99,175,096 | 99,175,096 | 93,446,142 | 5,728,954 |
| Support services | 57,322,087 | 57,322,087 | 49,792,729 | 7,529,358 |
| Community services | 321,432 | 321,432 | 321,277 | 155 |
| Operating contingency | 3,017,582 | 3,017,582 | - | 3,017,582 |
| Total expenditures | 159,836,197 | 159,836,197 | 143,560,148 | 16,276,049 |
| Excess (deficiency) of revenues over (under) expenditures | (8,957,090) | (8,957,090) | 6,772,223 | 15,729,313 |
| Other financing sources (uses) | | | | |
| Sale of capital asset | - | - | 3,475 | 3,475 |
| Transfers out | (455,000) | (455,000) | (455,000) | - |
| Total other financing sources (uses) | (455,000) | (455,000) | (451,525) | 3,475 |
| Net change in fund balances | (9,412,090) | (9,412,090) | 6,320,698 | 15,732,788 |
| Fund balance, beginning of year | 26,000,000 | 26,000,000 | 28,108,838 | 2,108,838 |
| Fund balance, end of year | \$ 16,587,910 | \$ 16,587,910 | \$ 34,429,536 | \$ 17,841,626 |

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Required Supplementary Information

Special Revenue Fund

*Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Year Ended June 30, 2021*

| | Adopted Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------------|---------------------|--|
| Revenues | | | | |
| Local sources | \$ 8,806,065 | \$ 8,806,065 | \$ 1,868,705 | \$ (6,937,360) |
| Intermediate sources | 3,832,600 | 3,832,600 | 4,145,926 | 313,326 |
| State sources | 15,599,344 | 15,599,344 | 6,662,038 | (8,937,306) |
| Federal sources | 11,027,849 | 11,027,849 | 10,730,436 | (297,413) |
| Investment earnings | 8,000 | 8,000 | 1,390 | (6,610) |
| Total revenues | 39,273,858 | 39,273,858 | 23,408,495 | (15,865,363) |
| Expenditures | | | | |
| Current | | | | |
| Instruction | 19,795,822 | 19,795,822 | 9,037,516 | 10,758,306 |
| Support services | 21,214,546 | 21,214,546 | 9,098,353 | 12,116,193 |
| Community services | 6,513,665 | 6,513,665 | 4,643,781 | 1,869,884 |
| Transits to other School Districts | 350,000 | 350,000 | 149,440 | 200,560 |
| Total expenditures | 47,874,033 | 47,874,033 | 22,929,090 | 24,944,943 |
| Excess (deficiency) of revenues over (under) expenditures | (8,600,175) | (8,600,175) | 479,405 | 9,079,580 |
| Other financing sources (uses) | | | | |
| Transfers in | 2,080,200 | 2,080,200 | 1,375,222 | (704,978) |
| Transfers out | (1,600,000) | (1,600,000) | (926,211) | 673,789 |
| Total other financing sources (uses) | 480,200 | 480,200 | 449,011 | (31,189) |
| Net change in fund balance | (8,119,975) | (8,119,975) | 928,416 | 9,048,391 |
| Fund balance, beginning of year | 8,694,975 | 8,694,975 | 8,881,216 | 186,241 |
| Fund balance, end of year | \$ 575,000 | \$ 575,000 | \$ 9,809,632 | \$ 9,234,632 |

This Page Left Intentionally Blank

Supplementary Information

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*General Obligation Bond Debt Service Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2021*

| | <u>Adopted Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------|-----------------------|---------------------|-------------------|---|
| Revenues | | | | |
| Taxes - regular | \$ 21,692,600 | \$ 21,692,600 | \$ 22,016,185 | \$ 323,585 |
| Intermediate sources | - | - | 30,854 | 30,854 |
| Investment earnings | <u>75,000</u> | <u>75,000</u> | <u>55,701</u> | <u>(19,299)</u> |
| Total revenues | <u>21,767,600</u> | <u>21,767,600</u> | <u>22,102,740</u> | <u>335,140</u> |
| Expenditures | | | | |
| Current | | | | |
| Debt service | <u>21,967,600</u> | <u>21,967,600</u> | <u>21,967,554</u> | <u>46</u> |
| Total expenditures | <u>21,967,600</u> | <u>21,967,600</u> | <u>21,967,554</u> | <u>46</u> |
| Net change in fund balance | (200,000) | (200,000) | 135,186 | 335,186 |
| Fund balance, beginning of year | <u>200,000</u> | <u>200,000</u> | <u>506,616</u> | <u>306,616</u> |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 641,802</u> | <u>\$ 641,802</u> |

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Full Faith and Credit and Lease Obligation Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2021*

| | <u>Adopted Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-----------------------|---------------------|-------------------|---|
| Revenues | | | | |
| Local sources | <u>\$ 950,061</u> | <u>\$ 950,061</u> | <u>\$ 950,062</u> | <u>\$ 1</u> |
| Total revenues | <u>950,061</u> | <u>950,061</u> | <u>950,062</u> | <u>1</u> |
| Expenditures | | | | |
| Current | | | | |
| Debt service | <u>1,498,615</u> | <u>1,498,615</u> | <u>1,498,509</u> | <u>106</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(548,554)</u> | <u>(548,554)</u> | <u>(548,447)</u> | <u>107</u> |
| Other financing sources (uses) | | | | |
| Transfers in | <u>548,715</u> | <u>548,715</u> | <u>510,949</u> | <u>(37,766)</u> |
| Transfers out | <u>(200)</u> | <u>(200)</u> | <u>(167)</u> | <u>33</u> |
| Total other financing sources (uses) | <u>548,515</u> | <u>548,515</u> | <u>510,782</u> | <u>(37,733)</u> |
| Net change in fund balance | <u>(39)</u> | <u>(39)</u> | <u>(37,665)</u> | <u>140</u> |
| Fund balance, beginning of year | <u>121,590</u> | <u>121,590</u> | <u>164,047</u> | <u>42,457</u> |
| Fund balance, end of year | <u>\$ 121,551</u> | <u>\$ 121,551</u> | <u>\$ 126,382</u> | <u>\$ 4,831</u> |

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Pension Bond Series 2007 Debt Service Fund

*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2021*

| | Adopted Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|------------------|---|
| Revenues | | | | |
| Local sources | \$ 3,935,400 | \$ 3,935,400 | \$ 3,866,575 | \$ (68,825) |
| Investment earnings | <u>-</u> | <u>-</u> | <u>14,219</u> | <u>14,219</u> |
| Total revenues | <u>3,935,400</u> | <u>3,935,400</u> | <u>3,880,794</u> | <u>(54,606)</u> |
| Expenditures | | | | |
| Current | | | | |
| Debt service | <u>3,935,400</u> | <u>3,935,400</u> | <u>3,935,360</u> | <u>40</u> |
| Total expenditures | <u>3,935,400</u> | <u>3,935,400</u> | <u>3,935,360</u> | <u>40</u> |
| Excess (deficiency) of revenues over (under) expenditures | - | - | (54,566) | (54,566) |
| Other financing sources (uses) | | | | |
| Transfer in | <u>-</u> | <u>-</u> | <u>11,155</u> | <u>11,155</u> |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>11,155</u> | <u>11,155</u> |
| Net change in fund balance | - | - | (43,411) | (43,411) |
| Fund balance, beginning of year | <u>-</u> | <u>-</u> | <u>44,668</u> | <u>44,668</u> |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,257</u> | <u>\$ 1,257</u> |

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended June 30, 2021

| | Adopted Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------|----------------------|-----------------------|---|
| Revenues | | | | |
| Local sources | \$ - | \$ - | \$ 363,615 | \$ 363,615 |
| Construction excise tax | 1,150,000 | 1,150,000 | 830,067 | (319,933) |
| Investment earnings | 4,337,109 | 4,337,109 | 2,055,090 | (2,282,019) |
| Total revenues | 5,487,109 | 5,487,109 | 3,248,772 | (2,238,337) |
| Expenditures | | | | |
| Current | | | | |
| Facilities acquisition and construction | 176,544,560 | 176,544,560 | 45,340,799 | 131,203,761 |
| Total expenditures | 176,544,560 | 176,544,560 | 45,340,799 | 131,203,761 |
| Excess (deficiency) of revenues over (under) expenditures | (171,057,451) | (171,057,451) | (42,092,027) | 128,965,424 |
| Other financing sources (uses) | | | | |
| Sale of capital asset | - | - | 85,130 | 85,130 |
| Transfers out | (548,715) | (548,715) | (510,948) | 37,767 |
| Total other financing sources (uses) | (548,715) | (548,715) | (425,818) | 122,897 |
| Net change in fund balance | (171,606,166) | (171,606,166) | (42,517,845) | 129,088,321 |
| Fund balance, beginning of year | 171,606,166 | 171,606,166 | 153,046,670 | (18,559,496) |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 110,528,825</u> | <u>\$ 110,528,825</u> |

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Internal Service Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2021*

| | <u>Adopted Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------|-----------------------|---------------------|---------------------|---|
| Revenues | | | | |
| Local sources | <u>\$ 352,000</u> | <u>\$ 352,000</u> | <u>\$ 363,722</u> | <u>\$ 11,722</u> |
| Expenditures | | | | |
| Current | | | | |
| Instruction | 814,000 | 814,000 | 138,626 | 675,374 |
| Support services | 1,890,306 | 1,890,306 | 98,125 | 1,792,181 |
| Community services | <u>218,000</u> | <u>218,000</u> | <u>9,160</u> | <u>208,840</u> |
| Total expenditures | <u>2,922,306</u> | <u>2,922,306</u> | <u>245,911</u> | <u>2,676,395</u> |
| Net change in fund balance | (2,570,306) | (2,570,306) | 117,811 | 2,688,117 |
| Fund balance, beginning of year | <u>2,570,306</u> | <u>2,570,306</u> | <u>2,627,613</u> | <u>57,307</u> |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,745,424</u> | <u>\$ 2,745,424</u> |

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Early Retirement

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended June 30, 2021

| | <u>Adopted Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------|-----------------------|---------------------|---------------------|---|
| Revenues | | | | |
| Local sources | \$ 1,203,400 | \$ 1,203,400 | \$ 1,222,947 | \$ 19,547 |
| Investment Earnings | <u>40,000</u> | <u>40,000</u> | <u>46,253</u> | <u>6,253</u> |
| Total revenues | <u>1,243,400</u> | <u>1,243,400</u> | <u>1,269,200</u> | <u>25,800</u> |
| Expenditures | | | | |
| Current | | | | |
| Support services | <u>1,733,400</u> | <u>1,733,400</u> | <u>877,395</u> | <u>856,005</u> |
| Net change in fund balance | (490,000) | (490,000) | 391,805 | 881,805 |
| Fund balance, beginning of year | <u>2,990,000</u> | <u>2,990,000</u> | <u>2,897,021</u> | <u>(92,979)</u> |
| Fund balance, end of year | <u>\$ 2,500,000</u> | <u>\$ 2,500,000</u> | <u>\$ 3,288,826</u> | <u>\$ 788,826</u> |

* The scholarship fund budget is combined with the early retirement fund for appropriation level

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Scholarship Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended June 30, 2021

| | <u>Adopted Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-----------------------|---------------------|-------------------|---|
| Revenues | | | | |
| Investment Earnings | \$ 10,000 | \$ 10,000 | \$ 1,702 | \$ (8,298) |
| Total revenues | <u>10,000</u> | <u>10,000</u> | <u>1,702</u> | <u>(8,298)</u> |
| Expenditures | | | | |
| Current | | | | |
| Support services | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | 10,000 | 10,000 | 1,702 | (8,298) |
| Other financing sources (uses) | | | | |
| Transfers out | <u>(25,000)</u> | <u>(25,000)</u> | <u>(5,000)</u> | <u>20,000</u> |
| Net change in fund balance | (15,000) | (15,000) | (3,298) | 11,702 |
| Fund balance, beginning of year | <u>15,000</u> | <u>15,000</u> | <u>213,398</u> | <u>198,398</u> |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 210,100</u> | <u>\$ 210,100</u> |

* The scholarship fund budget is combined with the early retirement fund for appropriation level

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Supplementary Information - Other Financial Schedules

Schedule of Property Tax Transactions

Year Ended June 30, 2021

| | <u>Tax Year</u> | <u>Current Levy and Uncollected July 1, 2020</u> | <u>Discounts Allowed</u> | <u>Interest</u> | <u>Adjustments</u> | <u>Collections</u> | <u>Uncollected June 30, 2021</u> |
|----------------------|-----------------|--|------------------------------|-------------------|---------------------|----------------------|--------------------------------------|
| <u>General Fund:</u> | | | | | | | |
| Current | 2020-2021 | \$ 72,114,967 | \$ 1,899,816 | \$ 26,122 | \$ (239,563) | \$ 69,283,648 | \$ 718,062 |
| Prior | 2019-2020 | 731,481 | (91) | 36,069 | (8,277) | 521,303 | 238,061 |
| | 2018-2019 | 255,990 | (20) | 28,444 | 2,945 | 175,171 | 112,228 |
| | 2017-2018 | 105,855 | (7) | 20,766 | (1,044) | 83,967 | 41,617 |
| | 2016-2017 | 35,500 | (1) | 8,146 | (1,239) | 27,794 | 14,614 |
| | 2015-2016 | 10,295 | - | 1,242 | (482) | 3,510 | 7,545 |
| | 2015 and prior | 32,612 | - | 4,728 | (1,708) | 7,815 | 27,817 |
| Total Prior | | 1,171,733 | (119) | 99,395 | (9,805) | 819,560 | 441,882 |
| | | <u>\$ 73,286,700</u> | <u>\$ 1,899,697</u> | <u>\$ 125,517</u> | <u>\$ (249,368)</u> | <u>\$ 70,103,208</u> | <u>\$ 1,159,944</u> |

Reconciliation to revenue:

Cash collections by county treasurers above \$ 70,103,208

Payments in lieu of taxes (22,940)

Accrual of current receivables:

6/30/20 (183,069)

6/30/21 281,544

Total Revenues \$ 70,178,743

| | <u>Tax Year</u> | <u>Current Levy and Uncollected July 1, 2020</u> | <u>Discounts Allowed</u> | <u>Interest</u> | <u>Adjustments</u> | <u>Collections</u> | <u>Uncollected June 30, 2021</u> |
|----------------------|-----------------|--|------------------------------|------------------|--------------------|----------------------|--------------------------------------|
| <u>General Fund:</u> | | | | | | | |
| Current | 2020-2021 | \$ 22,629,243 | \$ 596,361 | \$ 7,846 | \$ (74,978) | \$ 21,740,822 | \$ 224,928 |
| Prior | 2019-2020 | 228,707 | (28) | 10,707 | (430) | 163,156 | 75,856 |
| | 2018-2019 | 77,866 | (6) | 8,232 | 904 | 53,640 | 33,368 |
| | 2017-2018 | 32,382 | (2) | 5,934 | (326) | 25,985 | 12,007 |
| | 2016-2017 | 8,768 | - | 1,870 | (318) | 7,158 | 3,162 |
| | 2015-2016 | 2,486 | - | 292 | (127) | 921 | 1,730 |
| | 2015 and prior | 8,690 | (4) | 1,189 | (470) | 2,157 | 7,256 |
| Total Prior | | 358,899 | (40) | 28,224 | (767) | 253,017 | 133,379 |
| | | <u>\$ 22,988,142</u> | <u>\$ 596,321</u> | <u>\$ 36,070</u> | <u>\$ (75,745)</u> | <u>\$ 21,993,839</u> | <u>\$ 358,307</u> |

Reconciliation to revenue:

Cash collections by county treasurers above \$ 21,993,839

Payments in lieu of taxes (10,001)

Accrual of current receivables:

6/30/20 (55,615)

6/30/21 87,962

Total Revenues \$ 22,016,185

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

| Federal Grantor/Pass Through Grantor | | | | | |
|--|---------------------------|-------------------------------------|---------------------|-----------------------------|-----------------------------------|
| Program Title | Federal CFDA Number | Pass Through Entity Number | Grant Period | Expenditures | Pass Through to Sub-Recipients |
| U.S. DEPARTMENT OF EDUCATION | | | | | |
| Federal Direct | | | | | |
| TRIO - Upward Bound | 84.047A | N/A | 9/01/19-8/31/20 | \$ 98,945 | \$ - |
| TRIO - Upward Bound | 84.047A | N/A | 9/01/20-8/31/21 | <u>169,642</u> | <u>-</u> |
| | | | | 268,587 | - |
| Passed through State Department of Education | | | | | |
| Title I Grants to Local Education Agencies ESSA D&SI | 84.010A | 52084 | 9/30/20-9/30/21 | 10,455 | - |
| Title I Grants to Local Education Agencies ESSA D&SI | 84.010A | 65159 | 9/30/20-9/30/21 | 32,232 | - |
| Title I Grants to Local Education Agencies ESSA Partnerships | 84.010A | 54340 | 9/30/19-9/30/21 | 47,500 | - |
| Title I Grants to Local Education Agencies ESSA Partnerships | 84.010A | 60436 | 9/30/20-9/30/21 | 24,416 | - |
| Title 1 Grants to Local Education Agencies | 84.010A | 53386 | 7/01/19-9/30/20 | 312,275 | - |
| Title 1 Grants to Local Education Agencies | 84.010A | 58380 | 7/1/20-9/30/21 | <u>1,411,846</u> | <u>-</u> |
| | | | | 1,838,724 | - |
| Title I Program for Neglected and Delinquent | 84.013A | 50500 | 7/01/19-6/30/21 | <u>28,875</u> | <u>-</u> |
| Special Education Grants to States (IDEA, Part B) | 84.027A | 53820 | 7/01/19-9/30/21 | 613,268 | - |
| Special Education Grants to States (IDEA, Part B) | 84.027A | 53820 | 7/01/19-9/30/21 | 6,995 | - |
| Special Education Preschool Grants (IDEA Preschool) | 84.027A | 60764 | 7/01/20-9/30/22 | 1,709,513 | 33,600 |
| Special Education Grants to States (IDEA, Part B) | 84.027A | 12308 | 7/01/20-6/30/21 | <u>7,300</u> | <u>-</u> |
| | | | | 2,337,076 | 33,600 |
| English Language Acquisition State Grants | 84.365A | 58508 | 7/01/20-9/30/21 | <u>164,362</u> | <u>3,024</u> |
| Supporting Effective Instruction State Grants | 84.367A | 53648 | 7/01/19- 9/30/20 | 47,085 | - |
| Supporting Effective Instruction State Grants | 84.367A | 58874 | 7/01/20-9/30/21 | <u>46,907</u> | <u>6,180</u> |
| | | | | 93,992 | 6,180 |
| Student Support and Academic Enrichment Grants | 84.424 | 50841 | 7/01/18- 9/30/21 | <u>129</u> | <u>-</u> |
| Passed through Oregon Department of Education | | | | | |
| CARES Act - Elementary & Secondary School Relief - COVID 19 | 84.425D | 57928 | (1) 3/13/20-9/30/22 | 1,409,244 | 27,423 |
| CARES Act - Elementary & Secondary School Relief II - COVID 19 | 84.425D | 64699 | (1) 3/13/20-9/30/23 | 42,809 | - |
| ARP - Education Stabilization Fund - COVID 19 | 84.425D | 65003 | (1) 3/13/20-9/30/24 | 664,394 | - |
| CARES Act - Comprehensive Distance Learning - COVID 19 | 84.425C | 13554 | (1) 7/01/20-5/30/21 | 228,108 | 37,968 |
| CARES Act - Elementary & Secondary School Relief II - COVID 19 | 84.425D | 64820 | (1) 3/13/20-9/30/23 | <u>40,000</u> | <u>-</u> |
| | | | | 2,384,555 | 65,391 |
| Passed through Oregon Department of Human Services | | | | | |
| Child Care and Development Block Grant | 93.575 | 160281 | 7/01/19-6/30/21 | 1,704 | - |
| Vocational Rehabilitational State Grants | 84.126A | 160755 | 7/01/19-6/30/21 | <u>111,224</u> | <u>-</u> |
| | | | | 112,928 | - |
| Total U.S. Department of Education | | | | <u>7,229,228</u> | <u>108,195</u> |
| Passed through County of Washington Health & Human Services | | | | | |
| CARES Act Child Care Grant - COVID 19 | 21.019 | 20-1719 | (1) 8/01/20-6/30/21 | <u>1,099,804</u> | <u>736,376</u> |
| Passed through Oregon Military Department | | | | | |
| COVID-19 FEMA Office of Emergency Management - COVID 19 | 97.036 | DR-4499-OR | 3/28/20-6/30/21 | <u>12,306</u> | <u>-</u> |
| U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES | | | | | |
| Substance Abuse and Mental Health Services_Projcts of Regional and National Significance | 93.243 | 1H79SP021948 | 9/30/18-9/30/21 | <u>45,649</u> | <u>-</u> |
| U.S. DEPARTMENT OF AGRICULTURE | | | | | |
| Passed through State Department of Education | | | | | |
| National School Lunch Commodities - Noncash Assistance | 10.555 | N/A | (1) | 220,780 | - |
| National School Lunch Program - Summer Food Service | 10.559 | N/A | (1) | 2,023,886 | - |
| National School Lunch Program - Cares SFSP Meals - COVID 19 | 10.559 | N/A | (1) | 100,752 | - |
| National School Lunch Program - Cares SFSP Meals - COVID 19 | 10.559 | N/A | (1) | <u>10,339</u> | <u>-</u> |
| Sponsor Admin | 10.559 | N/A | (1) | 2,355,757 | - |
| Total Child Nutrition | | | | <u>2,355,757</u> | <u>-</u> |
| Total U.S. Department of Agriculture | | | | <u>2,355,757</u> | <u>-</u> |
| Total Expenditure of Federal Awards | | | | <u>\$ 10,742,744</u> | <u>\$ 844,571</u> |

(1) Major Programs

The accompanying schedule of expenditures of federal awards includes the federal grant activity and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Federal Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

STATISTICAL SECTION

Statistical Section

This part of the District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

| <u>Contents</u> | <u>Page</u> |
|---|--------------------|
| <i>Financial Trends</i> These schedules contain trend information to help the reader understand how the District's financial performance and wellbeing have changed over time. | 100-103 |
| <i>Revenue Capacity</i> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax. | 104-107 |
| <i>Debt Capacity</i> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. | 108-111 |
| <i>Demographic and Economic Information</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. | 112-113 |
| <i>Operating Information</i> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. | 114-119 |

Schedule 1
Tigard-Tualatin School District 23J
Condensed Statement of Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Governmental activities | | | | | | | | | | |
| Net Position | | | | | | | | | | |
| Net investment in capital assets | \$ 50,751,857 | \$ 70,455,492 | \$ 78,293,177 | \$ 85,813,660 | \$ 91,663,673 | \$ 106,426,011 | \$ 109,142,927 | \$ 114,439,030 | \$ 136,894,568 | \$ 141,414,935 |
| Restricted | 19,524,760 | 7,760,005 | 7,133,936 | 7,998,990 | 11,453,706 | 10,547,188 | 15,036,209 | 19,204,488 | 5,421,863 | 8,737,474 |
| Unrestricted | <u>25,893,237</u> | <u>16,938,388</u> | <u>(51,760,448)</u> | <u>(14,268,560)</u> | <u>(49,027,810)</u> | <u>(62,040,983)</u> | <u>(70,504,580)</u> | <u>(74,606,055)</u> | <u>(94,394,375)</u> | <u>(104,772,603)</u> |
| Total Net Position | <u>\$ 96,169,855</u> | <u>\$ 95,153,885</u> | <u>\$ 33,666,665</u> | <u>\$ 79,544,090</u> | <u>\$ 54,089,570</u> | <u>\$ 54,932,216</u> | <u>\$ 53,674,556</u> | <u>\$ 59,037,463</u> | <u>\$ 47,922,056</u> | <u>\$ 45,379,806</u> |

Note: The District began to report accrual information when it implemented GASB Statement 34 in 2003.
In FY12-13 GASB 63 created category of Net Position. All years prior to that were reported as Net Assets.
In FY14-15 the District implemented GASB 68 resulting in a restatement of the net position at June 30, 2014.

Schedule 2
Tigard-Tualatin School District 23J
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|---|---------------|----------------|-----------------|---------------|-----------------|----------------|----------------|----------------|----------------|----------------|
| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Expenses | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Instruction | \$ 78,589,575 | \$ 78,124,127 | \$ 78,159,522 | \$ 62,345,966 | \$ 118,757,908 | \$ 101,212,195 | \$ 103,409,091 | \$ 107,550,544 | \$ 115,462,612 | \$ 120,499,151 |
| Support Services | 37,832,977 | 38,343,055 | 38,434,091 | 32,974,800 | 53,188,022 | 48,384,764 | 53,306,939 | 56,598,097 | 63,797,944 | 67,114,618 |
| Enterprise and Community Services | 4,819,796 | 4,765,111 | 4,550,104 | 4,085,471 | 5,646,959 | 5,240,949 | 5,024,696 | 5,427,111 | 4,755,408 | 5,377,304 |
| Interest on long-term liabilities | 6,710,338 | 6,295,299 | 5,991,255 | 5,599,435 | 5,118,801 | 6,527,310 | 11,791,388 | 11,587,174 | 14,289,400 | 14,063,107 |
| Total expenditures | 127,952,686 | 127,527,591 | 127,134,971 | 105,005,671 | 182,711,691 | 161,365,219 | 173,532,113 | 181,162,926 | 198,305,364 | 207,054,180 |
| Program Revenues | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Instruction | 4,594,110 | 3,641,032 | 3,516,294 | 4,539,162 | 2,897,610 | 2,813,482 | 2,901,154 | 2,982,358 | 2,364,402 | 1,047,022 |
| Support Services | 35 | 54 | - | - | - | - | - | - | 18,000 | 18,000 |
| Enterprise and Community Services | 2,007,583 | 1,878,182 | 1,802,215 | 1,757,178 | 1,767,776 | 1,762,535 | 1,793,636 | 1,717,207 | 1,188,174 | 162,406 |
| Operating grants and contributions | 16,398,446 | 15,893,694 | 15,222,886 | 17,138,272 | 16,113,049 | 17,611,086 | 20,875,604 | 21,503,738 | 20,789,959 | 26,902,901 |
| Capital grants and contributions | 361,011 | 375,317 | 470,260 | 385,838 | 387,233 | 385,760 | 120,530 | 120,530 | 146,390 | 133,227 |
| Total program revenues | 23,361,185 | 21,788,279 | 21,011,655 | 23,820,450 | 21,165,668 | 22,572,863 | 25,690,924 | 26,323,833 | 24,506,925 | 28,263,556 |
| Net (Expenditures)/Revenue | (104,591,501) | (105,739,312) | (106,123,316) | (81,185,221) | (161,546,023) | (138,792,356) | (147,841,189) | (154,839,093) | (173,798,439) | (178,790,624) |
| General Revenues | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Property taxes, levied for general purposes | 47,258,052 | 46,410,671 | 48,573,446 | 53,023,648 | 55,671,956 | 58,504,873 | 61,684,267 | 66,401,829 | 67,167,660 | 70,106,305 |
| Property taxes, levied for debt service | 12,528,378 | 12,231,708 | 13,025,060 | 13,969,228 | 14,949,875 | 15,298,201 | 19,090,424 | 18,161,545 | 21,018,574 | 21,995,841 |
| Federal aid not restricted to specific purposes | 37,517 | 1,369 | 1,377 | 1,304 | 1,514 | 506 | 3,030 | 19,811 | 76,624 | 12,306 |
| State aid not restricted to specific purposes | 45,290,466 | 43,171,729 | 50,105,499 | 54,640,982 | 59,503,437 | 59,842,026 | 69,842,432 | 64,998,957 | 68,799,766 | 73,118,834 |
| Intermediate aid not restricted to specific purposes | 2,697,273 | 195,450 | 1,057,282 | 3,298,968 | 1,957,778 | 1,875,770 | 1,142,292 | 1,509,693 | 1,301,562 | 1,405,871 |
| Earnings on investments | 304,017 | 304,919 | 240,215 | 272,842 | 307,852 | 1,019,619 | 2,436,908 | 6,495,809 | 5,015,583 | 929,591 |
| Recovery of prior year expenditures | 151,501 | 189,487 | 219,514 | 286,180 | 706,103 | 777,271 | 396,340 | 513,168 | 244,984 | 177,855 |
| Construction excise tax | 742,975 | 1,261,618 | 613,791 | 545,339 | 1,823,933 | 1,125,335 | 1,254,662 | 887,556 | 463,255 | 830,067 |
| Gain on sale of capital assets | - | - | 1,853,804 | - | 145,200 | 156,531 | 1,146,702 | - | - | - |
| Other local revenue | 1,059,990 | 956,390 | 1,096,235 | 1,024,154 | 1,023,857 | 1,034,869 | 1,003,670 | 1,213,632 | 1,629,951 | 3,052,397 |
| Loss on disposition capital assets | - | - | - | - | - | - | - | - | - | - |
| Total general revenues | 110,070,170 | 104,723,342 | 116,786,222 | 127,062,645 | 136,091,505 | 139,635,001 | 158,000,727 | 160,201,999 | 165,717,959 | 171,629,067 |
| Restatement of net position | | | (72,150,126) | | | | | | | |
| Change in Net Position-Governmental activities | \$ 5,478,669 | \$ (1,015,970) | \$ (61,487,220) | \$ 45,877,423 | \$ (25,454,519) | \$ 842,646 | \$ 10,159,537 | \$ 5,362,906 | \$ (8,080,480) | \$ (7,161,557) |

Note: The District began to report accrual information when it implemented GASB Statement 34 in 2003.
In FY12-13 GASB 63 created category of Net Position. All years prior to that were reported as Net Assets.
In FY14-15 the District implemented GASB 68 resulting in a restatement of the net position at June 30, 2014.

Schedule 3
Tigard-Tualatin School District 23J
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| General fund | | | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ 3,456 | \$ 3,725 | \$ 3,000 | \$ 40,594 | \$ 1,889 | \$ 264,003 | \$ 562,444 |
| Assigned | 6,760,000 | 668,115 | - | 1,080,117 | 2,403,855 | 4,318,535 | 6,518,040 | 8,195,866 | 6,394,508 | 8,850,177 |
| Unassigned | <u>3,434,457</u> | <u>3,777,726</u> | <u>6,815,886</u> | <u>14,058,759</u> | <u>18,333,897</u> | <u>20,193,027</u> | <u>18,705,372</u> | <u>19,767,187</u> | <u>21,450,327</u> | <u>25,016,915</u> |
| Total general fund | <u>\$ 10,194,457</u> | <u>\$ 4,445,841</u> | <u>\$ 6,815,886</u> | <u>\$ 15,142,332</u> | <u>\$ 20,741,477</u> | <u>\$ 24,514,562</u> | <u>\$ 25,264,006</u> | <u>\$ 27,964,941</u> | <u>\$ 28,108,837</u> | <u>\$ 34,429,536</u> |
| All other governmental funds | | | | | | | | | | |
| Nonspendable | \$ 301,414 | \$ 254,468 | \$ 335,094 | \$ 319,960 | \$ 347,763 | \$ 358,287 | \$ 470,557 | \$ 176,474 | \$ 239,987 | \$ 195,226 |
| Restricted | 19,139,501 | 13,626,923 | 8,758,904 | 8,758,053 | 11,173,838 | 238,358,048 | 216,806,345 | 232,656,012 | 153,306,190 | 114,583,849 |
| Committed | 13,576,514 | 10,409,607 | 11,145,748 | 10,432,420 | 10,157,119 | 9,608,234 | 10,390,409 | 9,907,436 | 9,097,040 | 9,617,649 |
| Assigned | <u>1,172,069</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total all other governmental funds | <u>\$ 34,189,498</u> | <u>\$ 24,290,998</u> | <u>\$ 20,239,746</u> | <u>\$ 19,510,433</u> | <u>\$ 21,678,720</u> | <u>\$ 248,324,569</u> | <u>\$ 227,667,311</u> | <u>\$ 242,739,923</u> | <u>\$ 162,643,217</u> | <u>\$ 124,396,724</u> |

(1) Starting in 2009-10-comprised of General Obligation Debt Service Funds and Other Debt Service Funds

(2) In 2010-11 the District implemented GASB 54 and fund balances were then reported in various categories based on the nature of the limitations requiring use of resources for specific purposes.

Schedule 4
Tigard-Tualatin School District 23J
Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|---|----------------------|------------------------|-----------------------|---------------------|---------------------|-----------------------|------------------------|----------------------|------------------------|------------------------|
| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Revenues | | | | | | | | | | |
| Property and other taxes (1) | \$ 59,786,430 | \$ 58,642,379 | \$ 61,598,506 | \$ 66,992,876 | \$ 70,621,831 | \$ 73,803,074 | \$ 80,774,691 | \$ 84,563,374 | \$ 88,186,234 | \$ 92,102,146 |
| Local sources | 13,298,682 | 13,857,708 | 14,554,703 | 15,131,020 | 14,086,791 | 13,572,826 | 16,229,620 | 14,156,961 | 11,531,038 | 11,773,887 |
| Intermediate sources | 5,009,835 | 2,289,347 | 3,400,832 | 5,508,732 | 4,364,029 | 4,629,286 | 3,971,511 | 4,743,005 | 4,798,449 | 5,551,245 |
| State sources | 49,128,595 | 47,666,900 | 54,248,446 | 59,259,105 | 63,833,598 | 65,485,824 | 77,935,591 | 73,660,080 | 77,113,631 | 84,092,823 |
| Federal sources | 8,780,889 | 7,628,627 | 7,111,120 | 7,561,425 | 7,560,443 | 7,696,999 | 7,891,972 | 7,397,900 | 7,047,380 | 10,742,742 |
| Investment earnings | 327,493 | 304,919 | 240,215 | 272,842 | 307,852 | 1,019,619 | 2,436,908 | 6,495,809 | 5,015,583 | 929,591 |
| Total revenues | <u>136,331,923</u> | <u>130,389,880</u> | <u>141,153,822</u> | <u>154,726,000</u> | <u>160,774,544</u> | <u>166,207,628</u> | <u>189,240,292</u> | <u>191,017,129</u> | <u>193,692,315</u> | <u>205,192,434</u> |
| Expenditures | | | | | | | | | | |
| Current | | | | | | | | | | |
| Instruction | 75,792,356 | 74,287,500 | 74,987,422 | 80,241,837 | 85,620,825 | 89,549,729 | 96,497,270 | 98,051,004 | 101,660,098 | 102,169,758 |
| Support services | 38,252,302 | 38,482,850 | 39,253,892 | 41,172,985 | 42,497,523 | 45,528,683 | 54,346,195 | 54,492,794 | 56,905,399 | 59,319,595 |
| Community services | 4,769,802 | 4,667,781 | 4,525,733 | 4,581,977 | 4,811,424 | 4,953,297 | 4,897,353 | 4,931,869 | 4,330,983 | 4,965,058 |
| Facilities acquisition and construction | | | | | | | | 76,586,658 | 39,273,180 | 12,209,995 |
| Transit payments to other school districts | 271,245 | 262,237 | 340,208 | 517,468 | 353,567 | 435,091 | 249,454 | 444,820 | 329,656 | 149,440 |
| Debt service | | | | | | | | | | |
| Principal | 10,206,975 | 11,337,662 | 11,886,827 | 13,502,290 | 12,212,209 | 17,694,834 | 13,096,692 | 11,636,712 | 9,185,476 | 10,297,397 |
| Interest | 7,540,003 | 6,802,764 | 6,337,224 | 5,874,903 | 5,285,364 | 4,750,282 | 11,267,891 | 13,496,801 | 17,489,683 | 17,104,026 |
| Fees | - | - | 1,450 | - | - | - | - | - | - | - |
| Capital Outlay | 8,633,768 | 10,196,204 | 5,502,272 | 1,237,407 | 2,226,201 | 4,874,144 | 28,793,252 | 25,921,554 | 44,069,571 | 33,893,586 |
| Total expenditures | <u>145,466,451</u> | <u>146,036,997</u> | <u>142,835,028</u> | <u>147,128,866</u> | <u>153,007,113</u> | <u>167,786,059</u> | <u>209,148,106</u> | <u>285,562,211</u> | <u>273,244,046</u> | <u>240,108,855</u> |
| Excess (deficiency) of revenues over (under) expenditures | (9,134,528) | (15,647,117) | (1,681,206) | 7,597,133 | 7,767,431 | (1,578,431) | (19,907,814) | (94,545,082) | (79,551,731) | (34,916,421) |
| Other financing sources (uses) | | | | | | | | | | |
| Debt issuance | 20,656,997 | - | - | - | - | 231,997,365 | - | 112,314,949 | - | - |
| Proceeds from sale of capital assets | - | - | - | - | - | - | - | 3,679 | 1,348 | 88,605 |
| Transfers | - | - | - | - | - | - | - | - | - | 5,000 |
| Total other financing sources (uses) | <u>20,656,997</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>231,997,365</u> | <u>-</u> | <u>112,318,628</u> | <u>1,348</u> | <u>93,605</u> |
| Net change in fund balances | \$ <u>11,522,469</u> | \$ <u>(15,647,117)</u> | \$ <u>(1,681,206)</u> | \$ <u>7,597,133</u> | \$ <u>7,767,431</u> | \$ <u>230,418,934</u> | \$ <u>(19,907,814)</u> | \$ <u>17,773,546</u> | \$ <u>(79,550,383)</u> | \$ <u>(34,822,816)</u> |
| Debt service as a percentage of noncapital expenditures | 13.0% | 13.5% | 13.4% | 13.4% | 11.6% | 13.8% | 13.7% | 13.7% | 14.0% | 14.1% |
| Debt service as a percentage of | | | | | | | | | | |

(1) All tax revenue based on property taxes only

**Schedule 5
Tigard-Tualatin School District 23J
Assessed Values of Taxable Property
Last Ten Fiscal Years**

| Fiscal Year Ending June 30 | Assessed Value | | | | Total Assessed Value (2) | Total | Real Market Value (3) | Percentage |
|-------------------------------|-------------------|----------------------|-----------------------|----------------|-----------------------------|-----------------|--------------------------|--------------------------|
| | Real Property | Personal Property | Manufactured Homes | Public Utility | | Direct Rate* | | Assessed Value to RMV |
| 2011-12 | \$ 7,973,684,470 | \$ 330,698,285 | \$ 8,449,180 | \$ 259,196,860 | \$ 8,572,028,795 | 7.440 | \$ 11,125,702,072 | 77.05% |
| 2012-13 | \$ 8,430,145,355 | \$ 337,916,591 | \$ 7,292,790 | \$ 250,744,886 | \$ 9,026,099,622 | 7.409 | \$ 11,084,320,310 | 81.43% |
| 2013-14 | \$ 8,751,907,112 | \$ 344,717,809 | \$ 7,692,290 | \$ 250,131,520 | \$ 9,354,448,731 | 7.406 | \$ 11,626,065,057 | 80.46% |
| 2014-15 | \$ 9,106,549,619 | \$ 371,515,944 | \$ 8,764,280 | \$ 292,212,000 | \$ 9,779,041,843 | 7.464 | \$ 12,856,078,221 | 76.07% |
| 2015-16 | \$ 9,525,208,748 | \$ 394,480,147 | \$ 11,560,020 | \$ 284,585,900 | \$ 10,215,834,815 | 7.463 | \$ 13,656,863,025 | 74.80% |
| 2016-17 | \$ 9,900,650,943 | \$ 406,718,744 | \$ 17,184,150 | \$ 279,106,388 | \$ 10,603,660,225 | 7.451 | \$ 15,107,588,519 | 70.19% |
| 2017-18 | \$ 10,383,525,489 | \$ 422,249,122 | \$ 12,905,580 | \$ 297,012,964 | \$ 11,115,693,155 | 7.765 | \$ 16,724,672,328 | 66.46% |
| 2018-19 | \$ 10,897,583,960 | \$ 446,712,747 | \$ 15,055,960 | \$ 268,651,400 | \$ 11,628,004,067 | 7.754 | \$ 18,226,550,313 | 63.80% |
| 2019-20 | \$ 11,345,345,896 | \$ 432,347,729 | \$ 16,629,600 | \$ 270,414,100 | \$ 12,064,737,325 | 7.782 | \$ 18,972,503,779 | 63.59% |
| 2020-21 | \$ 11,773,613,998 | \$ 455,699,693 | \$ 16,847,020 | \$ 320,055,000 | \$ 12,566,215,711 | 7.790 | \$ 20,959,222,420 | 59.96% |

(1) In May of 1997, Oregon voters approved Measure 50 which reduced property tax levies by local government for operations by about 17% statewide.

It also reduced assessed value on individual properties to 1995-96 levels less 10%. Measure 50 also restricts future growth of assessed value of individual properties to 3% per year plus the value of any improvements. Bonded debt is exempt from Measure 50.

(2) Assessed Valuation is the total dollar value placed on real and personal property as a basis for imposing taxes.

(3) Real Market Value represents the amount of cash that could reasonably be expected by an informed seller from an informed buyer.

* Per \$1,000 of assessed value

Sources: Municipal Debt Advisory Commission, State of Oregon, Clackamas and Washington County Departments of Assessment and Taxation.

Schedule 6
Tigard-Tualatin School District 23J
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

| District Direct Rates | | | | | |
|-----------------------|----------------|------------------|-------------------------|----------|-----------------------|
| Fiscal Year | General Tax | | General Obligation Debt | | Total Direct Tax Rate |
| | Permanent Rate | Local Option (1) | Service Bonds (2) | | |
| | 2012 | \$ 4.989 | \$ 1.000 | \$ 1.451 | |
| 2013 | \$ 4.989 | \$ 1.000 | \$ 1.420 | \$ 7.409 | |
| 2014 | \$ 4.989 | \$ 1.000 | \$ 1.417 | \$ 7.406 | |
| 2015 | \$ 4.989 | \$ 1.000 | \$ 1.475 | \$ 7.464 | |
| 2016 | \$ 4.989 | \$ 1.000 | \$ 1.473 | \$ 7.463 | |
| 2017 | \$ 4.989 | \$ 1.000 | \$ 1.462 | \$ 7.451 | |
| 2018 | \$ 4.989 | \$ 1.000 | \$ 1.776 | \$ 7.765 | |
| 2019 | \$ 4.989 | \$ 1.000 | \$ 1.765 | \$ 7.754 | |
| 2020 | \$ 4.989 | \$ 1.000 | \$ 1.792 | \$ 7.782 | |
| 2021 | \$ 4.989 | \$ 1.000 | \$ 1.801 | \$ 7.790 | |

| Overlapping Total Property Tax Rates | | | | | | | | | | | | | | | | |
|--------------------------------------|----------------|-----------------|------------------|----------------|-------------------------------|-------------------|-----------------|-------------------|------------------|------------------|------------------|-----------------|-------------------|------------------|---------------------|------------------|
| Fiscal Year | Tigard | | Tualatin | | | | Sherwood | | Portland | | Tri-Met | | Metropolitan | | Lake | |
| | City of Durham | School District | City of Tualatin | City of Tigard | Valley Fire & Rescue District | Washington County | School District | Community College | Service District | Service District | Service District | School District | Community College | Clackamas County | City of Lake Oswego | City of Portland |
| 2012 | \$ 1.817 | \$ 7.440 | \$ 2.564 | \$ 2.966 | \$ 1.930 | \$ 2.974 | \$ 8.892 | \$ 0.598 | \$ 0.058 | \$ 0.315 | \$ 6.854 | \$ 0.673 | \$ 2.404 | \$ 5.583 | \$ 7.688 | |
| 2013 | \$ 1.845 | \$ 7.409 | \$ 2.559 | \$ 2.954 | \$ 1.915 | \$ 2.970 | \$ 8.819 | \$ 0.665 | \$ - | \$ 0.404 | \$ 6.847 | \$ 0.717 | \$ 2.404 | \$ 5.571 | \$ 7.812 | |
| 2014 | \$ 1.845 | \$ 7.406 | \$ 2.548 | \$ 2.945 | \$ 1.906 | \$ 2.968 | \$ 8.821 | \$ 0.734 | \$ - | \$ 0.467 | \$ 6.841 | \$ 0.708 | \$ 2.404 | \$ 5.538 | \$ 7.980 | |
| 2015 | \$ 1.831 | \$ 7.464 | \$ 2.535 | \$ 2.931 | \$ 1.891 | \$ 2.838 | \$ 8.819 | \$ 0.722 | \$ - | \$ 0.459 | \$ 6.813 | \$ 0.708 | \$ 2.404 | \$ 5.394 | \$ 7.892 | |
| 2016 | \$ 1.689 | \$ 7.463 | \$ 2.516 | \$ 2.932 | \$ 2.108 | \$ 2.838 | \$ 8.529 | \$ 0.586 | \$ - | \$ 0.388 | \$ 6.787 | \$ 0.708 | \$ 2.404 | \$ 5.348 | \$ 7.763 | |
| 2017 | \$ 1.639 | \$ 7.451 | \$ 2.506 | \$ 2.898 | \$ 2.098 | \$ 2.959 | \$ 8.678 | \$ 0.679 | \$ - | \$ 0.397 | \$ 6.810 | \$ 0.706 | \$ 2.404 | \$ 5.306 | \$ 7.730 | |
| 2018 | \$ 1.662 | \$ 7.765 | \$ 2.496 | \$ 2.871 | \$ 2.078 | \$ 2.958 | \$ 9.143 | \$ 0.605 | \$ - | \$ 0.409 | \$ 7.950 | \$ 0.700 | \$ 2.404 | \$ 5.247 | \$ 7.884 | |
| 2019 | \$ 1.118 | \$ 7.754 | \$ 2.886 | \$ 2.863 | \$ 2.084 | \$ 2.958 | \$ 8.952 | \$ 0.687 | \$ - | \$ 0.473 | \$ 7.925 | \$ 0.699 | \$ 2.404 | \$ 5.238 | \$ 7.980 | |
| 2020 | \$ 0.493 | \$ 7.782 | \$ 2.874 | \$ 2.852 | \$ 2.073 | \$ 2.958 | \$ 8.794 | \$ 0.685 | \$ - | \$ 0.663 | \$ 8.144 | \$ 0.690 | \$ 2.404 | \$ 5.213 | \$ 7.883 | |
| 2021 | \$ 0.493 | \$ 7.790 | \$ 2.858 | \$ 3.134 | \$ 2.117 | \$ 2.956 | \$ 8.644 | \$ 0.680 | \$ - | \$ 0.590 | \$ 8.138 | \$ 0.736 | \$ 2.404 | \$ 5.210 | \$ 8.165 | |

(1) Local option levy was renewed by the voters in November 2014 for the 2015-16 fiscal year through the 2019-20 fiscal year.
(2) General Obligation Debt Services Bonds have prior voter approval. All current General Obligation Debt has voter approval. Any new General Obligation Debt requires new voter approval.
Overlapping Debt is calculated by the State Treasurer by shared market value.
Source: Washington & Clackamas County Department of Assessment and Taxation.

**Schedule 7
Tigard-Tualatin School District 23J
Principal Property Taxpayers Current Year
and Nine Years Ago**

| Taxpayers | 2020-21 | | | 2011-12 | | |
|-----------------------------------|------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Pacific Realty Associates | \$ 300,020,917 | 1 | 2.39% | \$ 212,182,720 | 1 | 2.48% |
| LAM Research Corporation | 198,036,461 | 2 | 1.58% | - | | |
| BV Centercal LLC | 155,910,754 | 3 | 1.24% | 119,437,659 | 2 | 1.39% |
| Portland General Electric Co. | 119,764,909 | 4 | 0.95% | 63,128,102 | 6 | 0.74% |
| Lincoln Center LLC | 105,641,669 | 5 | 0.84% | 82,714,070 | 3 | 0.96% |
| Pacific Foods of Oregon Inc. | 69,520,290 | 6 | 0.55% | - | | |
| Northwest Natural Gas Co. | 59,178,200 | 7 | 0.47% | 44,099,100 | 7 | 0.51% |
| Tuala Northeast LLC | 51,677,500 | 8 | 0.41% | 39,606,590 | 9 | 0.46% |
| Comcast Corporation | 49,509,000 | 9 | 0.39% | 42,419,600 | 8 | 0.49% |
| Polygon WLH LLC | 47,578,230 | 10 | 0.38% | - | | |
| Novellus Systems, Inc. | - | | - | 79,767,300 | 4 | 0.93% |
| Frontier (Verizon) Communications | - | | - | 63,837,000 | 5 | 0.74% |
| Walton Cwor Pakr BC 8 LLC | - | | - | 37,116,470 | 10 | 0.43% |
| Subtotal of ten largest Taxpayers | 1,156,837,930 | | 9.21% | 784,308,611 | | 9.15% |
| All Other Taxpayers | 11,409,377,781 | | 90.79% | 7,787,720,184 | | 90.85% |
| Total | \$ 12,566,215,711 | | 100.00% | \$ 8,572,028,795 | | 100.00% |

Source: Washington & Clackamas County Department of Assessment and Taxation.

**Schedule 8
Tigard-Tualatin School District 23J
Property Tax Levies and Collections
Last Ten Fiscal Years**

| Fiscal Year | Net Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|-------------|--------------------------------------|--|--------------------|---------------------------------|---------------------------|--------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2011-12 | \$ 61,102,542 | \$ 58,111,872 | 95.1% | \$ 957,724 | \$ 59,069,596 | 96.7% |
| 2012-13 | \$ 60,602,464 | \$ 57,845,437 | 95.5% | \$ 1,859,462 | \$ 59,704,899 | 98.5% |
| 2013-14 | \$ 63,263,087 | \$ 60,179,613 | 95.1% | \$ 1,324,374 | \$ 61,503,987 | 97.2% |
| 2014-15 | \$ 68,880,155 | \$ 65,834,718 | 95.6% | \$ 1,161,974 | \$ 66,996,692 | 97.3% |
| 2015-16 | \$ 72,490,241 | \$ 69,268,420 | 95.6% | \$ 971,148 | \$ 70,239,568 | 96.9% |
| 2016-17 | \$ 75,985,691 | \$ 72,535,193 | 95.5% | \$ 930,553 | \$ 73,465,746 | 96.7% |
| 2017-18 | \$ 83,575,152 | \$ 79,792,154 | 95.5% | \$ 1,046,132 | \$ 80,838,286 | 96.7% |
| 2018-19 | \$ 87,521,671 | \$ 84,005,223 | 96.0% | \$ 811,943 | \$ 84,817,166 | 96.9% |
| 2019-20 | \$ 90,800,955 | \$ 87,103,149 | 95.9% | \$ 684,459 | \$ 87,787,608 | 96.7% |
| 2020-21 | \$ 94,744,210 | \$ 91,024,470 | 96.1% | \$ - | \$ 91,024,470 | 96.1% |

Source: Washington and Clackamas County Departments of Assessment and Taxation and Tigard-Tualatin School District financial records.

Schedule 9
Tigard-Tualatin School District 23J
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

| Fiscal Year | General Obligation Bonds (3) (thousands of dollars) | Less Amount Available in Debt Service Fund (thousands of dollars) | Net Bonded Debt (thousands of dollars) | Percentage of Personal Income (2) | Percentage of Actual Value of Taxable Property (1) | Per Capita (2) |
|-------------|---|---|---|--------------------------------------|--|----------------|
| 2011-12 | \$ 86,895 | \$ 729 | \$ 86,166 | 2.53% | 0.10% | \$ 1,091 |
| 2012-13 | \$ 77,855 | \$ 428 | \$ 77,427 | 2.23% | 0.09% | \$ 974 |
| 2013-14 | \$ 70,059 | \$ 149 | \$ 69,910 | 1.89% | 0.07% | \$ 865 |
| 2014-15 | \$ 58,270 | \$ 97 | \$ 58,173 | 1.48% | 0.06% | \$ 715 |
| 2015-16 | \$ 47,910 | \$ 2,454 | \$ 45,456 | 1.11% | 0.04% | \$ 560 |
| 2016-17 | \$ 263,713 | \$ 328 | \$ 263,385 | 5.98% | 0.25% | \$ 3,212 |
| 2017-18 | \$ 255,333 | \$ 188 | \$ 255,145 | 5.36% | 0.23% | \$ 3,057 |
| 2018-19 | \$ 307,905 | \$ 727 | \$ 307,178 | 6.10% | 0.26% | \$ 3,596 |
| 2019-20 | \$ 301,645 | \$ 507 | \$ 301,138 | 5.47% | 0.25% | \$ 3,427 |
| 2020-21 | \$ 294,540 | \$ 642 | \$ 293,898 | 5.34% | 0.23% | \$ 3,233 |

Notes: 2016-17 and 2017-18 percentages calculated using 2016 personal income data, which is the most recent available

(1) See Schedule 5 for property value data

(2) Population and personal income data can be found in Schedule 13

(3) General Obligation Bonds net of original issuance discounts and premiums

Schedule 10
Tigard-Tualatin School District 23J
Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita and per student)

| Fiscal Year | General Obligation Bonds | PERS UAL Bonds | Full Faith & Credit Obligations | Capital Lease Agreements | Issuance Premiums and Discounts | Total Primary Government | Percentage of Personal Income | Per Capita | Per Student |
|-------------|--------------------------|----------------|---------------------------------|--------------------------|---------------------------------|--------------------------|-------------------------------|------------|-------------|
| 2011-12 | \$ 86,895 | \$ 37,915 | \$ 9,547 | \$ 976 | \$ 730 | \$ 136,063 | 0.15% | \$ 1,723 | \$ 11,270 |
| 2012-13 | \$ 77,855 | \$ 37,100 | \$ 8,371 | \$ 669 | \$ 2,643 | \$ 126,638 | 0.14% | \$ 1,594 | \$ 10,792 |
| 2013-14 | \$ 68,000 | \$ 36,135 | \$ 7,565 | \$ 409 | \$ 2,059 | \$ 114,167 | 0.12% | \$ 1,412 | \$ 9,646 |
| 2014-15 | \$ 56,730 | \$ 35,005 | \$ 6,733 | \$ 139 | \$ 1,540 | \$ 100,146 | 0.10% | \$ 1,232 | \$ 8,458 |
| 2015-16 | \$ 46,785 | \$ 33,695 | \$ 5,914 | \$ - | \$ 1,125 | \$ 87,519 | 0.08% | \$ 1,078 | \$ 7,056 |
| 2016-17 | \$ 232,360 | \$ 32,195 | \$ 5,099 | \$ - | \$ 31,353 | \$ 301,007 | 0.26% | \$ 3,671 | \$ 23,784 |
| 2017-18 | \$ 226,360 | \$ 30,480 | \$ 4,283 | \$ - | \$ 28,973 | \$ 290,096 | 0.24% | \$ 3,476 | \$ 23,189 |
| 2018-19 | \$ 307,905 | \$ 28,540 | \$ 3,466 | \$ - | \$ 48,538 | \$ 388,449 | 0.29% | \$ 4,548 | \$ 31,484 |
| 2019-20 | \$ 301,645 | \$ 26,355 | \$ 2,726 | \$ - | \$ 45,027 | \$ 375,753 | 0.27% | \$ 4,276 | \$ 30,709 |
| 2020-21 | \$ 294,540 | \$ 23,900 | \$ 1,988 | \$ - | \$ 41,591 | \$ 362,019 | 0.24% | \$ 3,983 | \$ 31,538 |

Sources: Center of Population Research & Census-Portland State University; Washington County; and Oregon Department of Education

Schedule 11
Tigard-Tualatin School District 23J
Direct and Overlapping Governmental Activities Debt
As of June 30, 2021

| Governmental Unit | Outstanding Gross Property-tax Backed Debt Outstanding (1) | Estimated Percentage Applicable | Estimated Share of Direct and Overlapping Debt |
|--|--|------------------------------------|--|
| City Of Portland | \$ 759,328,159 | 0.01% | \$ 81,248 |
| City of Tigard | 19,107,023 | 82.07% | 15,681,688 |
| City Of Tualatin | 25,809,836 | 83.19% | 21,470,790 |
| Clackamas Community College | 104,855,428 | 1.29% | 1,351,482 |
| Clackamas County | 125,400,000 | 0.95% | 1,192,052 |
| Clackamas Soil & Water Conservation | 6,144,000 | 0.95% | 58,405 |
| Metropolitan Service District | 958,580,000 | 5.72% | 54,857,616 |
| Northwest Regional ESD | 1,964,662 | 14.40% | 282,925 |
| Port of Portland | 51,330,000 | 5.27% | 2,707,042 |
| Portland Community College | 607,975,000 | 6.91% | 42,011,072 |
| Tualatin Hills Park & Rec District | 61,463,970 | 0.01% | 8,605 |
| Tualatin Valley Fire & Rescue District | 26,035,000 | 18.95% | 4,932,773 |
| Washington County | 196,818,344 | 17.09% | 33,636,845 |
| Subtotal, overlapping debt | | | 178,272,543 |
| District direct debt | | | 362,020,041 |
| Total direct and overlapping debt | | | \$ 540,292,584 |

(1) Gross property-tax backed debt is all debt backed by a general fund pledge of the issuer. This includes bonds that may be paid by a source of revenue other than general tax monies.

Overlapping debt percentage is calculated by determining the percentage of real market value that the issuer shares between itself and another issuer. This data is provided to the Oregon Treasury annually to the Oregon Department of Revenue. Not all taxpayers of the District will reside in every overlapping governmental unit.

Source: Municipal Debt Advisory Commission, State of Oregon.

Schedule 12
Tigard-Tualatin School District 23J
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2020-21

| | |
|---|-------------------------|
| Real Market value | \$ 20,959,222,420 |
| Debt limit (7.95% of real market value) | 1,666,258,182 |
| Debt applicable to limit | <u>294,540</u> |
| Legal Debt Margin | <u>\$ 1,665,963,642</u> |

| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Debt Limit | \$ 884,493,315 | \$ 881,203,465 | \$ 924,272,172 | \$ 1,022,058,219 | \$ 1,085,720,610 | \$ 1,201,053,287 | \$ 1,329,611,450 | \$ 1,449,010,750 | \$ 1,508,314,050 | \$ 1,666,258,182 |
| Total net debt applicable to limit | <u>86,895,000</u> | <u>77,855,000</u> | <u>68,000,000</u> | <u>56,730,000</u> | <u>46,785,000</u> | <u>232,360,000</u> | <u>226,360,000</u> | <u>307,905,000</u> | <u>301,645,000</u> | <u>294,540,000</u> |
| Legal debt margin | \$ <u>797,598,315</u> | \$ <u>803,348,465</u> | \$ <u>856,272,172</u> | \$ <u>965,328,219</u> | \$ <u>1,038,935,610</u> | \$ <u>968,693,287</u> | \$ <u>1,103,251,450</u> | \$ <u>1,141,105,750</u> | \$ <u>1,206,669,050</u> | \$ <u>1,371,718,182</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 9.82% | 8.84% | 7.36% | 5.55% | 4.31% | 19.35% | 17.02% | 21.25% | 20.00% | 17.68% |

**Schedule 13
Tigard-Tualatin School District 23J
Demographics and Economic Statistics
Last Ten Calendar Years**

| Fiscal Year | Population (Estimated) (1) | Personal Income (thousands of dollars) | Per Capita Personal Income (2) | Unemployment Rate (3) |
|-------------|----------------------------|--|--------------------------------|-----------------------|
| 2011-12 | 78,970 | 3,403,844 | 43,103 | 8.2% |
| 2012-13 | 79,455 | 3,474,408 | 43,728 | 7.6% |
| 2013-14 | 80,845 | 3,702,216 | 45,794 | 6.1% |
| 2014-15 | 81,310 | 3,937,193 | 48,422 | 5.4% |
| 2015-16 | 81,175 | 4,098,445 | 50,489 | 5.2% |
| 2016-17 | 81,995 | 4,407,313 | 53,751 | 3.9% |
| 2017-18 | 83,455 | 4,756,184 | 56,991 | 3.8% |
| 2018-19 | 85,420 | 5,034,740 | 58,941 | 3.9% |
| 2019-20 | 87,880 | 5,501,552 | 62,603 | 11.8% |
| 2020-21 | 90,898 | a | a | 5.0% |

(1) Estimated population includes population estimates for the cities of Tigard, Tualatin, King City and Durham

(2) U.S. Dept of Commerce, Bureau of Economic Analysis

(3) Employment rate is based on US Dept of Labor figures for the Portland Metropolitan area at June 30, 2020

(a) Data for 2020-21 was not available at time of printing

Sources: U.S. Department of Labor; Oregon Department of Human Resources, Employment Division for Washington County; Center of Population Research & Census-Portland State University; Oregon Department of Education; and U.S. Department of Commerce, Bureau of Economic Analysis

Schedule 14
Tigard-Tualatin School District 23J
Principal Employers
Current Year and Nine Years Ago

| Employer | 2020-21 | | | 2011-12 | | |
|---|--------------|------|-------------------------------------|--------------|------|-------------------------------------|
| | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| LAM Research Corporation (Novellus) | 2486 | 1 | 29.48% | 650 | 4 | 10.67% |
| Tigard - Tualatin School District #23-J | 1,397 | 2 | 16.56% | 1,185 | 1 | 19.45% |
| Legacy Meridian Park Hospital | 990 | 3 | 11.74% | 905 | 2 | 14.86% |
| Bay Club Oregon | 580 | 4 | 6.88% | - | - | - |
| Nortek Air Solutions | 522 | 5 | 6.19% | - | - | - |
| Pacific Foods Of Oregon | 510 | 6 | 6.05% | - | - | - |
| Macy's Department Stores | 503 | 7 | 5.96% | 704 | 3 | 11.56% |
| Amazon.com Services LLC | 494 | 8 | 5.86% | - | - | - |
| Portland General Electric Co | 478 | 9 | 5.67% | - | - | - |
| Nordstrom | 474 | 10 | 5.62% | 579 | 5 | 9.51% |
| United Parcel Services | - | - | - | 512 | 6 | 8.41% |
| Huntair | - | - | - | 460 | 7 | 7.55% |
| Oregon PERS | - | - | - | 396 | 8 | 6.50% |
| Providence Health System | - | - | - | 377 | 9 | 6.19% |
| Costco Wholesale | - | - | - | 323 | 10 | 5.30% |
| Total | 8,434 | | 100.00% | 6,091 | | 100.00% |

Source: City of Tigard Adopted Budget, City of Tualatin Business Office and nonfinancial information from district records.

Schedule 15
Tigard-Tualatin School District 23J
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

| | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Instruction | | | | | | | | | | |
| Regular instruction | 575 | 555 | 551 | 553 | 546 | 529 | 495 | 476 | 478 | 485 |
| Special programs | 193 | 222 | 245 | 250 | 253 | 239 | 229 | 222 | 235 | 229 |
| Early childhood | 6 | 2 | - | 2 | - | - | - | - | - | - |
| Total direct classroom services | 774 | 779 | 796 | 805 | 799 | 768 | 724 | 698 | 713 | 714 |
| Support Services | | | | | | | | | | |
| Students | 90 | 91 | 90 | 87 | 75 | 75 | 78 | 74 | 74 | 72 |
| Instructional staff | 41 | 41 | 47 | 44 | 37 | 31 | 36 | 31 | 35 | 40 |
| General administration | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 | 3 | 2 |
| School administration | 84 | 89 | 85 | 85 | 78 | 76 | 71 | 68 | 68 | 65 |
| Business | 19 | 15 | 2 | 17 | 16 | 16 | 16 | 16 | 16 | 15 |
| Operations and maintenance of buildings | 57 | 72 | 73 | 73 | 68 | 68 | 65 | 63 | 67 | 60 |
| Student transportation | 27 | 25 | 23 | 22 | 22 | 21 | 21 | 21 | 21 | 20 |
| Central activities | 21 | 20 | 21 | 19 | 18 | 17 | 10 | 11 | 14 | 12 |
| Total classroom support services | 342 | 356 | 344 | 350 | 317 | 307 | 299 | 286 | 298 | 286 |
| Enterprise and Community Services | | | | | | | | | | |
| Food services | 35 | 34 | 33 | 32 | 30 | 29 | 29 | 30 | 28 | 33 |
| Scrip services | - | - | - | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Building use services | - | 1 | - | 1 | 2 | 2 | 2 | 2 | 2 | 2 |
| Other enterprise and community services | 3 | 2 | 1 | 4 | 4 | 4 | 3 | 3 | 3 | 1 |
| Total enterprise and community services | 38 | 37 | 34 | 39 | 38 | 37 | 36 | 37 | 35 | 38 |
| Facilities Acquisition and Construction | 3 | 2 | - | 2 | 1 | - | - | - | - | - |
| Total Full-Time Equivalent District Employees | 1,157 | 1,174 | 1,174 | 1,196 | 1,155 | 1,112 | 1,059 | 1,021 | 1,046 | 1,038 |

Source: Nonfinancial information from district records

Schedule 16
Tigard-Tualatin School District 23J
Operating Statistics
Last Ten Fiscal Years

| Fiscal Year | Enrollment (1) | Operating Expenditures | Cost per Pupil | Percentage Change | Expenses | Cost per Pupil | Percentage Change | Teaching Staff | Pupil-Teacher Ratio | Percentage of Students Receiving Free or Reduced-Price Meals |
|-------------|----------------|------------------------|----------------|-------------------|----------------|----------------|-------------------|----------------|---------------------|--|
| 2011-12 | 12,691 | \$ 118,812,460 | \$ 9,362 | 2% | \$ 127,952,686 | \$ 10,082 | 1% | 644 | 19.7:1 | 37.9% |
| 2012-13 | 12,641 | \$ 117,438,131 | \$ 9,290 | -1% | \$ 127,527,591 | \$ 10,088 | 0% | 633 | 20.0:1 | 38.7% |
| 2013-14 | 12,718 | \$ 118,767,047 | \$ 9,339 | 1% | \$ 127,134,971 | \$ 9,996 | -1% | 629 | 20.2:1 | 37.7% |
| 2014-15 | 12,676 | \$ 125,996,799 | \$ 9,940 | 6% | \$ 105,005,671 | \$ 8,284 | -17% | 649 | 19.5:1 | 34.8% |
| 2015-16 | 12,799 | \$ 132,929,772 | \$ 10,386 | 4% | \$ 182,711,691 | \$ 14,275 | 72% | 686 | 18.7:1 | 33.4% |
| 2016-17 | 12,808 | \$ 140,031,709 | \$ 10,933 | 5% | \$ 161,365,219 | \$ 12,599 | -12% | 708 | 18.1:1 | 32.6% |
| 2017-18 | 12,890 | \$ 155,740,818 | \$ 12,082 | 11% | \$ 173,532,113 | \$ 13,463 | 7% | 727 | 17.7:1 | 29.6% |
| 2018-19 | 12,701 | \$ 158,899,602 | \$ 12,511 | 4% | \$ 181,162,926 | \$ 14,264 | 6% | 725 | 17.5:1 | 29.4% |
| 2019-20 | 12,624 | \$ 162,896,480 | \$ 12,904 | 3% | \$ 198,305,364 | \$ 15,709 | 10% | 770 | 16.4:1 | 27.0% |
| 2020-21 | 11,859 | \$ 166,454,411 | \$ 14,036 | 9% | \$ 206,307,541 | \$ 17,397 | 11% | 748 | 15.9:1 | 31.0% |

(1) Enrollment as of October 1st of the fiscal year.

Operating expenditures are total expenditures less debt service and capital outlays.

In 14-15 the District implemented GASB 68.

Source: Nonfinancial information from district records

Schedule 17
Tigard-Tualatin School District 23J
Teacher Base Salaries
Last Ten Fiscal Years

| Fiscal Year | Minimum Salary | Maximum Salary | Statewide Average Salary |
|-------------|----------------|----------------|--------------------------|
| 2011-12 | \$ 35,438 | \$ 71,379 | \$ 57,080 |
| 2012-13 | \$ 35,438 | \$ 71,379 | \$ 57,590 |
| 2013-14 | \$ 35,704 | \$ 71,914 | \$ 58,165 |
| 2014-15 | \$ 36,061 | \$ 72,633 | \$ 59,477 |
| 2015-16 | \$ 37,143 | \$ 74,812 | \$ 60,407 |
| 2016-17 | \$ 38,164 | \$ 76,870 | \$ 61,860 |
| 2017-18 | \$ 39,500 | \$ 79,560 | \$ 63,086 |
| 2018-19 | \$ 40,685 | \$ 81,947 | \$ 64,583 |
| 2019-20 | \$ 41,906 | \$ 84,405 | \$ 66,825 |
| 2020-21 | \$ 42,953 | \$ 86,516 | \$ 68,565 |

Note: 2010-11 Min/Max salary schedule is the same dollar amount as 2009-10 due to extended contract negotiations but includes two (2) fewer work days.
Source: State Dept. of Education

Schedule 18
Tigard-Tualatin School District 23J
School Building Information
Last Ten Fiscal Years

| | <u>2011-12</u> | <u>2012-13</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>Building only</u> <u>Ins. Value</u> <u>2020-21</u> |
|---------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---|
| Elementary Schools | | | | | | | | | | | |
| Alberta Rider (2006) | | | | | | | (1) | (1) | (1) | (1) | (1) |
| Value | 13,038,905 | 13,038,905 | 14,370,372 | 14,440,689 | 14,787,494 | 14,787,494 | 14,787,494 | 14,787,494 | 14,381,276 | 15,120,938 | 13,901,943 |
| Square Feet | 72,995 | 72,995 | 72,995 | 72,995 | 72,995 | 72,995 | 72,995 | 72,995 | 72,995 | 72,995 | 72,995 |
| Capacity | *624 | *624 | *624 | *624 | *624 | *624 | *624 | *624 | *624 | *624 | *624 |
| Enrollment | 579 | 601 | 624 | 591 | 587 | 595 | 559 | 558 | 536 | 501 | |
| Bridgeport (1982) | | | | | | | | | | | |
| Value | 4,445,741 | 4,542,707 | 4,542,707 | 4,542,707 | 4,542,707 | 4,549,322 | 4,549,322 | 4,549,322 | 9,834,477 | 10,142,474 | 9,373,835 |
| Square Feet | 66,193 | 66,193 | 66,193 | 66,193 | 66,193 | 66,193 | 66,193 | 66,193 | 67,985 | 67,985 | 67,985 |
| Capacity | *572 | *572 | *572 | *572 | *598 | *598 | *598 | *598 | 702 | 702 | 702 |
| Enrollment | 549 | 508 | 486 | 498 | 491 | 505 | 521 | 549 | 569 | 525 | |
| Edward Byrom (1979) | | | | | | | | | | | |
| Value | 3,460,823 | 3,742,032 | 3,757,775 | 3,757,775 | 3,763,316 | 3,763,316 | 3,763,316 | 3,763,316 | 10,039,060 | 10,462,455 | 9,667,638 |
| Square Feet | 61,275 | 61,275 | 61,275 | 61,275 | 61,275 | 61,275 | 61,275 | 61,275 | 64,859 | 64,859 | 64,859 |
| Capacity | *650 | *650 | *650 | *650 | *598 | *598 | *598 | *598 | 702 | 702 | 702 |
| Enrollment | 624 | 568 | 529 | 528 | 560 | 553 | 562 | 557 | 535 | 426 | |
| Charles F. Tigard (2004) | | | | | | | (2) | (2) | (2) | (2) | (2) |
| Value | 10,662,995 | 10,662,995 | 10,668,932 | 10,668,932 | 10,668,932 | 10,668,932 | 10,668,932 | 10,668,932 | 13,576,081 | 16,786,235 | 16,092,154 |
| Square Feet | 76,444 | 76,444 | 76,444 | 76,444 | 76,444 | 76,444 | 76,444 | 76,444 | 76,444 | 76,444 | 76,444 |
| Capacity | *624 | *624 | *624 | *624 | *624 | *624 | *624 | *624 | 650 | 650 | 650 |
| Enrollment | 547 | 583 | 553 | 531 | 527 | 508 | 485 | 478 | 482 | 461 | |
| Deer Creek (1997) | | | | | | | | | | | |
| Value | 7,274,140 | 7,274,140 | 7,297,102 | 7,297,102 | 7,302,644 | 7,313,194 | 7,313,194 | 7,313,194 | 11,601,546 | 12,443,468 | 11,888,836 |
| Square Feet | 61,387 | 61,387 | 61,387 | 61,387 | 61,387 | 61,387 | 61,387 | 61,387 | 63,629 | 63,629 | 63,629 |
| Capacity | *624 | *624 | *624 | *624 | *598 | *598 | *598 | *598 | 702 | 702 | 702 |
| Enrollment | 556 | 516 | 559 | 580 | 600 | 621 | 611 | 605 | 569 | 538 | |
| Durham (1989) | | | | | | | | | | | |
| Value | 6,271,036 | 6,271,036 | 6,365,422 | 6,365,422 | 6,365,422 | 6,373,372 | 6,373,372 | 6,373,372 | 10,637,934 | 10,850,693 | 10,682,910 |
| Square Feet | 65,322 | 65,322 | 65,322 | 65,322 | 65,322 | 65,322 | 65,322 | 65,322 | 65,322 | 65,322 | 65,322 |
| Capacity | *598 | *598 | *598 | *598 | *598 | *598 | *598 | *598 | *598 | *598 | *598 |
| Enrollment | 548 | 550 | 563 | 574 | 584 | 530 | 552 | 560 | 559 | 527 | |
| Mary Woodward (1979) | | | | | | | | | | | |
| Value | 4,022,170 | 4,309,940 | 4,327,667 | 4,327,667 | 4,327,667 | 4,377,558 | 4,377,558 | 4,377,558 | 8,414,962 | 8,805,645 | 8,449,401 |
| Square Feet | 68,330 | 68,330 | 68,330 | 68,330 | 68,330 | 68,330 | 68,330 | 68,330 | 72,694 | 72,694 | 72,694 |
| Capacity | *624 | *624 | *624 | *624 | *598 | *598 | *598 | *598 | 624 | 624 | 624 |
| Enrollment | 467 | 424 | 476 | 469 | 505 | 515 | 534 | 569 | 583 | 524 | |
| Metzger (2004) | | | | | | | | | | | |
| Value | 11,005,106 | 11,005,106 | 11,024,992 | 11,024,992 | 11,024,992 | 11,024,992 | 11,024,992 | 11,024,992 | 12,453,449 | 13,294,838 | 12,005,596 |
| Square Feet | 69,981 | 69,981 | 69,981 | 69,981 | 69,981 | 69,981 | 69,981 | 69,981 | 73,565 | 73,565 | 73,565 |
| Capacity | *546 | *546 | *546 | *546 | *624 | *624 | *624 | *624 | 728 | 728 | 728 |
| Enrollment | 574 | 570 | 620 | 648 | 645 | 652 | 665 | 618 | 613 | 539 | |
| James Templeton (1965) | | | | | | | | | | | |
| Value | 5,227,913 | 5,227,913 | 5,227,913 | 5,227,913 | 5,227,913 | 5,227,913 | 5,227,913 | 5,227,913 | 6,975,699 | 4,665,446 | 4,201,852 |
| Square Feet | 50,478 | 50,478 | 50,478 | 50,478 | 50,478 | 50,478 | 50,478 | 50,478 | 74,472 | 23,511 | |

| | <u>2011-12</u> | <u>2012-13</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>Building only</u> <u>Ins. Value</u> <u>2020-21</u> |
|----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---|
| Capacity | *598 | *598 | *598 | *598 | *598 | *598 | *598 | *598 | *598 | | |
| Enrollment | 614 | 596 | 574 | 581 | 577 | 593 | 611 | 556 | 545 | | |
| New James Templeton (2019) | | | | | | | | | | | |
| Value | - | - | - | - | - | - | - | - | - | 26,520,000 | 25,500,000 |
| Square Feet | - | - | - | - | - | - | - | - | - | - | 74,472 |
| Capacity | - | - | - | - | - | - | - | - | - | - | 635 |
| Enrollment | - | - | - | - | - | - | - | - | - | - | 504 |
| New Tualatin (2004) | | | | | | | | | | | |
| Value | 11,075,135 | 11,075,135 | 11,079,086 | 11,079,086 | 11,079,086 | 11,079,086 | 11,079,086 | 11,079,086 | 12,453,449 | 13,253,465 | 11,987,655 |
| Square Feet | 76,024 | 76,024 | 76,024 | 76,024 | 76,024 | 76,024 | 76,024 | 76,024 | 76,024 | 76,024 | |
| Capacity | *598 | *598 | *598 | *598 | *624 | *624 | *624 | *624 | *624 | 676 | 676 |
| Enrollment | 584 | 617 | 577 | 572 | 554 | 556 | 535 | 488 | 482 | 407 | |
| Middle Schools | | | | | | | | | | | |
| Thomas Fowler (1971) | | | | | | | | | | | |
| Value | 11,466,927 | 11,551,070 | 12,269,116 | 12,269,116 | 12,269,116 | 12,269,116 | 12,269,116 | 21,687,681 | 24,752,182 | 25,247,225 | 23,365,662 |
| Square Feet | 124,488 | 124,488 | 124,488 | 124,488 | 124,488 | 124,488 | 124,488 | 124,488 | 124,488 | 124,488 | |
| Capacity | *983 | *983 | *983 | *983 | *1000 | *1000 | *1000 | *1000 | *1000 | *1000 | |
| Enrollment | 823 | 802 | 804 | 815 | 804 | 803 | 801 | 835 | 855 | 839 | |
| Hazelbrook (1992) | | | | | | | | | | | |
| Value | 7,934,067 | 8,012,431 | 8,157,260 | 8,157,260 | 8,157,260 | 8,157,260 | 8,157,260 | 8,157,260 | 23,984,627 | 24,951,652 | 22,392,910 |
| Square Feet | 135,523 | 135,523 | 135,523 | 135,523 | 135,523 | 135,523 | 135,523 | 135,523 | 135,523 | 135,523 | |
| Capacity | *1040 | *1040 | *1040 | *1040 | *1000 | *1000 | *1000 | *1000 | *1000 | *1000 | |
| Enrollment | 959 | 988 | 1,027 | 984 | 959 | 966 | 970 | 995 | 992 | 925 | |
| Twality (1963) & (2020) | | | | | | | | | | | |
| Value | 8,449,705 | 9,503,204 | 10,023,813 | 10,060,096 | 10,060,096 | 10,124,239 | 10,124,239 | 10,124,239 | 20,248,346 | 49,190,535 | 44,609,371 |
| Square Feet | 123,314 | 123,314 | 123,314 | 123,314 | 123,314 | 123,314 | 123,314 | 123,314 | 123,314 | 145,010 | |
| Capacity | *942 | *942 | *942 | *942 | *942 | *942 | *942 | *942 | 1,200 | 1,200 | |
| Enrollment | 1,012 | 1,049 | 1,051 | 1,024 | 1,062 | 1,026 | 1,066 | 1,034 | 1,083 | 1,017 | |
| High Schools | | | | | | | | | | | |
| Tigard (1953) | | | | | | | | | | | |
| Value | 27,001,397 | 27,109,997 | 27,239,959 | 27,371,134 | 27,371,134 | 27,371,134 | 27,371,134 | 27,371,134 | 24,818,651 | 34,848,155 | 30,895,961 |
| Square Feet | 269,639 | 269,639 | 269,639 | 269,639 | 269,639 | 269,639 | 269,639 | 269,639 | 269,639 | 269,639 | |
| Capacity | *1776 | *1776 | *1776 | *1776 | *1776 | *1776 | *1776 | *1776 | 2,000 | 2,000 | |
| Enrollment | 2,046 | 1,975 | 1,990 | 1,959 | 1,956 | 1,992 | 1,960 | 1,832 | 1,778 | 1,782 | |
| Tualatin (1992) | | | | | | | | | | | |
| Value | 19,836,558 | 19,843,020 | 23,061,107 | 23,061,989 | 23,061,989 | 23,077,489 | 23,077,489 | 23,077,489 | 46,395,847 | 70,772,959 | 64,034,738 |
| Square Feet | 321,064 | 321,064 | 321,064 | 321,064 | 321,064 | 321,064 | 321,064 | 321,064 | 321,064 | 321,064 | |
| Capacity | *1888 | *1888 | *1888 | *1888 | *1888 | *1888 | *1888 | *1888 | 2,000 | 2,000 | |
| Enrollment | 1,854 | 1,842 | 1,839 | 1,896 | 1,928 | 1,940 | 1,998 | 1,947 | 1,918 | 1,866 | |

| | <u>2011-12</u> | <u>2012-13</u> | <u>2013-14</u> | <u>2014-15</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>Building only</u> <u>Ins. Value</u> <u>2020-21</u> |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---|
| Other | | | | | | | | | | | |
| New Administration (2000) | | | | | | | | | | | |
| Value | 4,211,600 | 4,211,600 | 4,501,326 | 4,501,326 | 4,501,326 | 4,501,326 | 4,501,326 | 4,501,326 | 12,828,471 | 13,085,041 | 11,613,613 |
| Square Feet | 74,936 | 74,936 | 74,936 | 74,936 | 74,936 | 74,936 | 74,936 | 74,936 | 74,936 | 74,936 | |
| Durham Center (1919) - Creekside HS | | | | | | | | | | | |
| Value | 42,753 | 42,753 | 176,005 | 204,260 | 204,260 | 204,260 | 204,260 | 204,260 | 2,518,414 | 2,568,783 | 2,273,792 |
| Square Feet | 13,464 | 13,464 | 13,464 | 13,464 | 13,464 | 13,464 | 13,464 | 13,464 | 13,464 | 13,464 | |
| Capacity | *105 | *105 | *105 | *105 | *105 | *105 | *105 | *105 | *105 | *105 | |
| Enrollment | | 67 | 66 | 55 | 46 | 52 | 50 | 52 | 185 | | |
| Creekside HS (2019) | | | | | | | | | | | |
| Value | - | - | - | - | - | - | - | - | | 6,325,020 | 6,324,000 |
| Square Feet | - | - | - | - | - | - | - | - | | 17,828 | |
| Capacity | - | - | - | - | - | - | - | - | | 300 | |
| Enrollment | - | - | - | - | - | - | - | - | | 170 | |
| Tigard Swim Center (1974) | | | | | | | | | | | |
| Value | 1,621,889 | 1,621,889 | 1,621,889 | 1,621,889 | 1,621,889 | 1,621,889 | 1,621,889 | 1,621,889 | 3,000,714 | 3,060,728 | 3,060,728 |
| Square Feet | 14,484 | 14,484 | 14,484 | 14,484 | 14,484 | 14,484 | 14,484 | 14,484 | 14,484 | 14,484 | |
| Tualatin Swim Center (1998) | | | | | | | | | | | |
| Value | 2,635,231 | 2,635,231 | 2,635,231 | 2,635,231 | 2,635,231 | 2,635,231 | 2,635,231 | 2,635,231 | 4,170,337 | 4,253,744 | 4,253,744 |
| Square Feet | 17,338 | 17,338 | 17,338 | 17,338 | 17,338 | 17,338 | 17,338 | 17,338 | 17,338 | 17,338 | |
| Bus Garage - Tigard (1967) | | | | | | | | | | | |
| Value | 186,443 | 186,443 | 186,443 | 186,443 | 186,443 | 186,443 | 186,443 | 186,443 | 1,644,124 | 1,677,007 | 1,663,096 |
| Square Feet | 5,521 | 5,521 | 5,521 | 5,521 | 5,521 | 5,521 | 5,521 | 5,521 | 5,521 | 5,521 | |
| Bus Garage - Tualatin (2013) | | | | | | | | | | | |
| Value | | | 158,753 | 158,753 | 158,753 | 158,753 | 158,753 | 158,753 | 219,921 | 224,320 | 161,042 |
| Square Feet | | | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | 1,792 | |
| School Based Health Center(2007) | | | | | | | | | | | |
| Value | 296,853 | 296,853 | 296,853 | 296,853 | 296,853 | 296,853 | 296,853 | 296,853 | 278,556 | 284,127 | 108,379 |
| Square Feet | 3,584 | 3,584 | 3,584 | 3,584 | 3,584 | 3,584 | 3,584 | 3,584 | 3,584 | 3,584 | |
| School Based Health Center(2014) | | | | | | | | | | | |
| Value | - | - | - | 388,642 | 388,642 | 388,642 | 388,642 | 388,642 | 388,642 | 388,642 | |
| Square Feet | - | - | - | - | - | - | - | - | - | - | |
| Tigard-Tualatin On Line Academy | | | | | | | | | | | |
| Value | 208,583 | 209,724 | 209,724 | 209,724 | 209,724 | 209,724 | 209,724 | 209,724 | 22,973 | - | |
| Square Feet | 5,596 | 5,596 | 5,596 | 5,596 | 5,596 | 5,596 | 5,596 | 5,596 | 5,596 | - | |
| Enrollment | | | | | | | | 93 | 93 | - | |

*Starting 2008-09 capacity is without portable classrooms. Prior years' capacity may or may not include portable classrooms.

Capacity Source: Tigard-Tualatin School District Capacity Report/Dull Olson Weekes Architects, Inc. (December 2009)

Source: Trended Property Schedule based on Pace appraisals

(1)Not included is the Alberta Rider Cabin for 144,502

(2)Value for CFT includes 2,644,031 for the BRTC bldg

Portables are included in total values

This Page Left Intentionally Blank

REQUIRED SCHEDULES, AUDIT COMMENTS & DISCLOSURES

Schedules Required by
Oregon Department of Education

SUPPLEMENTAL INFORMATION, 2020-2021

School District Business Managers and Auditors:

This page is a required part of your annual audited financial statements. Please make sure it is included.
 Part A is needed for computing Oregon’s full allocation for ESSA, Title I & other Federal Funds for Education.

A. Energy Bill for Heating - All Funds:

Please enter your expenditures for electricity, heating fuel, and water & sewage for these Functions & Objects.

| | |
|---------------|---|
| | Objects 325 & 326 & *327 |
| Function 2540 | \$1,874,773 |
| Function 2550 | \$3,819 |

B. Replacement of Equipment – General Fund:

Include all General Fund expenditures in object 542, except for the following exclusions:

Exclude these functions:

| |
|----------|
| \$76,187 |
|----------|

- 1113 Elementary Co-curricular Activities
- 1122 Middle School Co-curricular Activities
- 1132 High School Co-curricular Activities
- 1140 Pre-Kindergarten
- 1300 Continuing Education
- 1400 Summer School
- 2550 Pupil Transportation
- 3100 Food Service
- 3300 Community Services
- 4150 Construction

**Object code 327 (water and sewage) has been added to Part A to be included in the Function 2540 and 2550 totals.*

2020-21 AUDIT REVENUE SUMMARY

TigardTualatin School District 23J

Revenue from Local Sources

| | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 500 | Fund 600 | Fund 700 |
|--|----------------------|---------------------|---------------------|----------------------|-----------------|------------------|--------------------|
| 1110 Ad Valorem Taxes Levied by District | \$60,001,444 | \$0 | \$22,005,424 | \$0 | \$0 | \$0 | \$0 |
| 1120 Local Option Ad Valorem Taxes Levied by District | \$10,135,689 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1130 Construction Excise Tax | \$0 | \$0 | \$0 | \$830,067 | \$0 | \$0 | \$0 |
| 1190 Penalties and Interest on Taxes | \$41,610 | \$0 | \$10,761 | \$0 | \$0 | \$0 | \$0 |
| 1200 Revenue from Local Governmental Units Other Than Districts | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1311 Regular Day School Tuition From Individuals | \$5,995 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1312 Regular Day School Tuition Other Dist Within State | \$134,160 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1313 Regular Day School Tuition Other Districts Outside | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1320 Adult/Continuing Education Tuition | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1330 Summer School Tuition | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1411 Transportation Fees From Individuals | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1412 Transportation Fees Other Dist Within State | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1413 Transportation Fees Other Districts Outside | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1420 Summer School Transportation Fees | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1500 Earnings on Investments | \$400,190 | \$1,390 | \$69,920 | \$2,055,090 | \$0 | \$0 | \$47,956 |
| 1600 Food Service | \$0 | -\$4,417 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1700 Extracurricular Activities | \$21,150 | \$1,565 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1800 Community Services Activities | \$71,132 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1910 Rentals | \$0 | \$179,571 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1920 Contributions and Donations From Private Sources | \$0 | \$767,237 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1930 Rental or Lease Payments From Private Contractors | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1940 Services Provided Other Local Education Agencies | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1950 Textbook Sales and Rentals | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1960 Recovery of Prior Years' Expenditure | \$103,597 | \$0 | \$0 | \$0 | \$0 | \$56,832 | \$0 |
| 1970 Services Provided Other Funds | \$0 | \$0 | \$3,866,575 | \$0 | \$0 | \$112,188 | \$0 |
| 1980 Fees Charged to Grants | \$269,779 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1990 Miscellaneous | \$330,080 | \$924,749 | \$0 | \$363,615 | \$0 | \$194,702 | \$1,222,947 |
| Total Revenue from Local Sources | \$71,514,815 | \$1,870,095 | \$25,952,681 | \$3,248,772 | \$0 | \$363,722 | \$1,270,903 |
| Revenue from Intermediate Sources | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 500 | Fund 600 | Fund 700 |
| 2101 County School Funds | \$324,569 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2102 General ESD Revenue | \$950,000 | \$3,859,366 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2103 Excess ESD Local Revenue | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2105 Natural Gas, Oil, and Mineral Receipts | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2110 Intermediate "I" Tax | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2199 Other Intermediate Sources | \$99,895 | \$4,999 | \$30,854 | \$0 | \$0 | \$0 | \$0 |
| 2200 Restricted Revenue | \$0 | \$281,562 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2800 Revenue in Lieu of Taxes | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2900 Revenue for/on Behalf of the District | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Revenue from Intermediate Sources | \$1,374,465 | \$4,145,926 | \$30,854 | \$0 | \$0 | \$0 | \$0 |
| Revenue from State Sources | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 500 | Fund 600 | Fund 700 |
| 3101 State School Fund General Support | \$71,393,316 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3102 State School Fund School Lunch Match | \$0 | \$36,467 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3103 Common School Fund | \$1,378,740 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3104 State Managed County Timber | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3106 State School Fund Accrual | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3107 Facility Grant | \$0 | \$593,191 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3199 Other Unrestricted GrantsInAid | \$4,641,650 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3204 Driver Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3222 State School Fund (SSF) Transportation Equipment | \$0 | \$133,227 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3299 Other Restricted GrantsInAid | \$17,078 | \$5,899,153 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3800 Revenue in Lieu of Taxes | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3900 Revenue for/on Behalf of the District | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Revenue from State Sources | \$77,430,785 | \$6,662,038 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Revenue from Federal Sources | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 500 | Fund 600 | Fund 700 |
| 4100 Unrestricted Revenue Direct From the Federal Government | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4200 Unrestricted Revenue From the Federal Government Through the State | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4201 Transportation Fees for Foster Children | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4202 Medicaid Reimbursement for Eligible K12 Expenses (Ages 521) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4300 Restricted Revenue From the Federal Government | \$12,306 | \$314,236 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4500 Restricted Revenue From the Federal Government Through the State | \$0 | \$10,195,421 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4501 Medicaid Reimbursement for Eligible Early Intervention (EI) Services (Ages Birth to 3) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4502 Medicaid Reimbursement for Eligible Early Childhood Special Education (ECSE) Services (Ages 35) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4700 GrantsInAid From the Federal Government Through Other Intermediate Agencies | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4801 Federal Forest Fees | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4802 Impact Aid to School Districts for Operation (PL 874) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4803 Coos Bay Wagon Road Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4899 Other Revenue in Lieu of Taxes | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4900 Revenue for/on Behalf of the District | \$0 | \$220,780 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Revenue from Federal Sources | \$12,306 | \$10,730,437 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Revenue from Other Sources | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 500 | Fund 600 | Fund 700 |
| 5100 Long Term Debt Financing Sources | \$0 | \$0 | \$950,061 | \$0 | \$0 | \$0 | \$0 |
| 5200 Interfund Transfers | \$0 | \$1,375,222 | \$522,104 | \$0 | \$0 | \$0 | \$0 |
| 5300 Sale of or Compensation for Loss of Fixed Assets | \$3,475 | \$0 | \$0 | \$85,130 | \$0 | \$0 | \$0 |
| 5400 Resources Beginning Fund Balance | \$28,108,838 | \$8,881,219 | \$715,331 | \$153,046,670 | \$0 | \$0 | \$0 |
| Total Revenue from Other Sources | \$28,112,313 | \$10,256,438 | \$2,167,496 | \$153,131,800 | \$0 | \$0 | \$0 |
| Grand Total | \$178,444,683 | \$33,664,934 | \$28,171,030 | \$156,380,572 | \$0 | \$363,722 | \$1,270,903 |

DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

Fund: 100 General Fund

| Instruction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
|---|--|----------------------|---------------------|---------------------|---------------------|--------------------|------------------|--------------------|------------------|
| 1111 | Elementary, K-5 or K-6 | \$30,956,423 | \$17,326,590 | \$12,543,013 | \$285,948 | \$799,642 | \$0 | \$1,229 | \$0 |
| 1113 | Elementary Extracurricular | \$10,585 | \$9,790 | \$794 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1121 | Middle/Junior High Programs | \$16,583,384 | \$9,398,087 | \$6,635,057 | \$116,770 | \$424,671 | \$0 | \$8,798 | \$0 |
| 1122 | Middle/Junior High School Extracurricular | \$33,606 | \$17,179 | \$8,158 | \$0 | \$8,069 | \$0 | \$200 | \$0 |
| 1131 | High School Programs | \$21,819,943 | \$12,399,387 | \$8,725,668 | \$271,383 | \$370,189 | \$18,900 | \$34,416 | \$0 |
| 1132 | High School Extracurricular | \$1,913,347 | \$1,182,644 | \$539,039 | \$51,647 | \$76,387 | \$0 | \$63,630 | \$0 |
| 1140 | Pre-Kindergarten Programs | \$704,869 | \$259,817 | \$200,596 | \$210,964 | \$33,423 | \$0 | \$69 | \$0 |
| 1210 | Programs for the Talented and Gifted | \$408,510 | \$233,887 | \$160,663 | \$3,639 | \$10,296 | \$0 | \$25 | \$0 |
| 1220 | Restrictive Programs for Students with Disabilities | \$2,094,080 | \$1,112,294 | \$873,788 | \$68,913 | \$39,085 | \$0 | \$0 | \$0 |
| 1250 | Less Restrictive Programs for Students with Disabilities | \$10,019,489 | \$5,394,704 | \$4,552,684 | \$50,984 | \$21,102 | \$0 | \$15 | \$0 |
| 1260 | Treatment and Habilitation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1271 | Remediation | \$1,144,017 | \$695,688 | \$357,085 | \$3,693 | \$87,551 | \$0 | \$0 | \$0 |
| 1272 | Title I | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1280 | Alternative Education | \$4,048,385 | \$1,160,663 | \$903,457 | \$1,927,089 | \$55,976 | \$0 | \$1,200 | \$0 |
| 1291 | English Second Language Programs | \$3,654,420 | \$2,057,185 | \$1,583,489 | \$5,449 | \$8,297 | \$0 | \$0 | \$0 |
| 1292 | Teen Parent Program | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1293 | Migrant Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1294 | Youth Corrections Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1299 | Other Programs | \$55,085 | \$4,724 | \$1,929 | \$760 | \$215 | \$0 | \$47,456 | \$0 |
| 1300 | Adult/Continuing Education Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1400 | Summer School Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Instruction Expenditures | | \$93,446,142 | \$51,252,639 | \$37,085,422 | \$2,997,239 | \$1,934,904 | \$18,900 | \$157,038 | \$0 |
| Support Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 2110 | Attendance and Social Work Services | \$1,259,105 | \$663,208 | \$592,171 | \$418 | \$3,308 | \$0 | \$0 | \$0 |
| 2120 | Guidance Services | \$6,274,450 | \$3,410,064 | \$2,535,994 | \$299,533 | \$27,680 | \$0 | \$879 | \$0 |
| 2130 | Health Services | \$171,158 | \$80,326 | \$61,958 | \$24,035 | \$4,802 | \$0 | \$36 | \$0 |
| 2140 | Psychological Services | \$545,814 | \$305,547 | \$215,940 | \$512 | \$23,595 | \$0 | \$220 | \$0 |
| 2150 | Speech Pathology and Audiology Services | \$349,053 | \$201,985 | \$136,881 | \$94 | \$9,488 | \$0 | \$605 | \$0 |
| 2160 | Other Student Treatment Services | \$86,062 | \$0 | \$0 | \$86,062 | \$0 | \$0 | \$0 | \$0 |
| 2190 | Service Direction, Student Support Services | \$567,488 | \$328,219 | \$219,122 | \$360 | \$18,347 | \$0 | \$1,440 | \$0 |
| 2210 | Improvement of Instruction Services | \$2,083,298 | \$1,223,596 | \$844,189 | \$7,179 | \$7,111 | \$0 | \$1,222 | \$0 |
| 2220 | Educational Media Services | \$1,431,681 | \$720,521 | \$616,939 | \$221 | \$93,813 | \$0 | \$187 | \$0 |
| 2230 | Assessment & Testing | \$447,504 | \$254,728 | \$157,771 | \$364 | \$34,640 | \$0 | \$0 | \$0 |
| 2240 | Instructional Staff Development | \$818,639 | \$448,585 | \$275,321 | \$88,380 | \$5,877 | \$0 | \$475 | \$0 |
| 2310 | Board of Education Services | \$474,129 | \$0 | \$0 | \$168,885 | \$3,845 | \$0 | \$301,400 | \$0 |
| 2320 | Executive Administration Services | \$908,843 | \$462,780 | \$273,920 | \$151,861 | \$13,257 | \$0 | \$7,025 | \$0 |
| 2410 | Office of the Principal Services | \$10,428,745 | \$5,991,642 | \$4,251,582 | \$55,991 | \$125,674 | \$0 | \$3,857 | \$0 |
| 2490 | Other Support Services - School Administration | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2510 | Direction of Business Support Services | \$381,963 | \$219,086 | \$142,787 | \$11,968 | \$0 | \$0 | \$8,122 | \$0 |
| 2520 | Fiscal Services | \$2,020,958 | \$917,317 | \$661,008 | \$8,949 | \$12,297 | \$0 | \$421,386 | \$0 |
| 2540 | Operation and Maintenance of Plant Services | \$10,850,523 | \$3,415,270 | \$2,646,679 | \$3,185,293 | \$1,164,907 | \$205,634 | \$232,741 | \$0 |
| 2550 | Student Transportation Services | \$5,459,348 | \$820,408 | \$859,836 | \$3,707,470 | \$70,420 | \$0 | \$1,214 | \$0 |
| 2570 | Internal Services | \$597,413 | \$211,987 | \$168,001 | \$152,276 | \$62,830 | \$0 | \$2,319 | \$0 |
| 2610 | Direction of Central Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2620 | Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Se | \$785 | \$0 | \$0 | \$0 | \$785 | \$0 | \$0 | \$0 |
| 2630 | Information Services | \$578,432 | \$331,309 | \$199,821 | \$13,728 | \$14,841 | \$0 | \$18,732 | \$0 |
| 2640 | Staff Services | \$1,291,991 | \$544,266 | \$594,137 | \$47,419 | \$31,959 | \$0 | \$74,209 | \$0 |
| 2660 | Technology Services | \$2,635,176 | \$1,100,826 | \$703,966 | \$324,633 | \$326,475 | \$177,617 | \$1,660 | \$0 |
| 2670 | Records Management Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2680 | Interpretation and Translation Services | \$130,470 | \$24,638 | \$9,322 | \$96,509 | \$0 | \$0 | \$0 | \$0 |
| 2690 | Other Support Services - Central | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2700 | Supplemental Retirement Program | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Support Services Expenditures | | \$49,792,727 | \$21,676,307 | \$16,167,348 | \$8,432,141 | \$2,055,951 | \$383,250 | \$1,077,730 | \$0 |
| Enterprise and Community Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 3100 | Food Services | \$1,936 | \$0 | \$0 | \$0 | \$1,936 | \$0 | \$0 | \$0 |
| 3200 | Other Enterprise Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3300 | Community Services | \$247,616 | \$115,837 | \$107,795 | \$14,203 | \$9,781 | \$0 | \$0 | \$0 |
| 3500 | Custody and Care of Children Services | \$71,727 | \$36,555 | \$34,850 | \$322 | \$0 | \$0 | \$0 | \$0 |
| Total Enterprise and Community Services Expenditures | | \$321,279 | \$152,392 | \$142,645 | \$14,525 | \$11,717 | \$0 | \$0 | \$0 |
| Facilities Acquisition and Construction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 4110 | Service Area Direction | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4120 | Site Acquisition and Development Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4150 | Building Acquisition, Construction, and Improvement Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4180 | Other Capital Items | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4190 | Other Facilities Construction Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Facilities Acquisition and Construction Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Uses Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 5100 | Debt Service | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5200 | Transfers of Funds | \$455,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$455,000 |
| 5300 | Apportionment of Funds by ESD | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5400 | PERS UAL Bond Lump Sum | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Other Uses Expenditures | | \$455,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$455,000 |
| Grand Total | | \$144,015,148 | \$73,081,338 | \$53,395,414 | \$11,443,905 | \$4,002,573 | \$402,151 | \$1,234,768 | \$455,000 |

DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

Fund: 200 Special Revenue Funds

| Instruction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
|---|--|---------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|--------------------|
| 1111 | Elementary, K-5 or K-6 | \$774,679 | \$383,008 | \$229,901 | \$2,241 | \$122,097 | \$37,352 | \$80 | \$0 |
| 1113 | Elementary Extracurricular | \$3,150 | \$478 | \$203 | \$2,400 | \$69 | \$0 | \$0 | \$0 |
| 1121 | Middle/Junior High Programs | \$246,732 | \$111,062 | \$70,973 | \$6,299 | \$58,398 | \$0 | \$0 | \$0 |
| 1122 | Middle/Junior High School Extracurricular | \$36,211 | \$6,141 | \$2,459 | -\$900 | \$28,286 | \$0 | \$225 | \$0 |
| 1131 | High School Programs | \$1,350,498 | \$358,501 | \$246,887 | \$88,311 | \$399,237 | \$253,448 | \$4,114 | \$0 |
| 1132 | High School Extracurricular | \$693,119 | \$98,257 | \$19,700 | \$17,968 | \$545,854 | \$4,200 | \$7,140 | \$0 |
| 1140 | Pre-Kindergarten Programs | \$188,738 | \$68,004 | \$50,548 | \$51,218 | \$12,424 | \$0 | \$6,544 | \$0 |
| 1210 | Programs for the Talented and Gifted | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1220 | Restrictive Programs for Students with Disabilities | \$1,547,138 | \$202,296 | \$153,883 | \$1,175,330 | \$10,380 | \$0 | \$5,248 | \$0 |
| 1250 | Less Restrictive Programs for Students with Disabilities | \$1,551,263 | \$615,866 | \$473,498 | \$454,458 | \$7,402 | \$0 | \$40 | \$0 |
| 1260 | Treatment and Habilitation | \$254,135 | \$0 | \$0 | \$254,135 | \$0 | \$0 | \$0 | \$0 |
| 1271 | Remediation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1272 | Title I | \$1,529,628 | \$745,501 | \$451,074 | \$1,758 | \$260,138 | \$0 | \$71,157 | \$0 |
| 1280 | Alternative Education | \$197,970 | \$70,855 | \$279 | \$93,325 | \$33,512 | \$0 | \$0 | \$0 |
| 1291 | English Second Language Programs | \$324,831 | \$185,720 | \$133,612 | \$0 | \$5,500 | \$0 | \$0 | \$0 |
| 1292 | Teen Parent Program | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1293 | Migrant Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1294 | Youth Corrections Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1299 | Other Programs | \$271,164 | \$143,556 | \$111,352 | \$1,992 | \$4,572 | \$0 | \$9,693 | \$0 |
| 1300 | Adult/Continuing Education Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1400 | Summer School Programs | \$68,259 | \$18,484 | \$8,249 | \$25,200 | \$16,507 | \$0 | \$0 | \$0 |
| Total Instruction Expenditures | | \$9,037,515 | \$3,007,729 | \$1,952,616 | \$2,173,555 | \$1,504,374 | \$295,000 | \$104,241 | \$0 |
| Support Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 2110 | Attendance and Social Work Services | \$956,968 | \$463,052 | \$391,329 | \$102,586 | \$0 | \$0 | \$0 | \$0 |
| 2120 | Guidance Services | \$1,553,448 | \$801,665 | \$482,933 | \$100,823 | \$59,628 | \$0 | \$108,399 | \$0 |
| 2130 | Health Services | \$468,224 | \$0 | \$0 | \$468,224 | \$0 | \$0 | \$0 | \$0 |
| 2140 | Psychological Services | \$567,227 | \$86,667 | \$58,605 | \$421,371 | \$583 | \$0 | \$0 | \$0 |
| 2150 | Speech Pathology and Audiology Services | \$832,941 | \$64,034 | \$41,677 | \$726,559 | \$670 | \$0 | \$0 | \$0 |
| 2160 | Other Student Treatment Services | \$125 | \$0 | \$0 | \$125 | \$0 | \$0 | \$0 | \$0 |
| 2190 | Service Direction, Student Support Services | \$195,200 | \$113,018 | \$76,089 | \$357 | \$5,736 | \$0 | \$0 | \$0 |
| 2210 | Improvement of Instruction Services | \$1,099,920 | \$655,507 | \$375,165 | \$12,529 | \$5,914 | \$0 | \$50,805 | \$0 |
| 2220 | Educational Media Services | \$6,473 | \$0 | \$0 | \$0 | \$6,443 | \$0 | \$30 | \$0 |
| 2230 | Assessment & Testing | \$37,922 | \$0 | \$0 | \$0 | \$37,922 | \$0 | \$0 | \$0 |
| 2240 | Instructional Staff Development | \$1,212,937 | \$679,103 | \$442,969 | \$58,371 | \$17,151 | \$0 | \$15,344 | \$0 |
| 2310 | Board of Education Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2320 | Executive Administration Services | \$1,000 | \$0 | \$0 | \$1,000 | \$0 | \$0 | \$0 | \$0 |
| 2410 | Office of the Principal Services | \$223,662 | \$135,580 | \$83,950 | \$0 | \$4,132 | \$0 | \$0 | \$0 |
| 2490 | Other Support Services - School Administration | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2510 | Direction of Business Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2520 | Fiscal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2540 | Operation and Maintenance of Plant Services | \$623,772 | \$5,144 | \$1,683 | \$8,296 | \$543,018 | \$65,631 | \$0 | \$0 |
| 2550 | Student Transportation Services | \$199,012 | \$0 | \$0 | \$199,012 | \$0 | \$0 | \$0 | \$0 |
| 2570 | Internal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2610 | Direction of Central Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2620 | Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Se | \$135,847 | \$73,868 | \$52,479 | \$9,500 | \$0 | \$0 | \$0 | \$0 |
| 2630 | Information Services | \$46,612 | \$0 | \$0 | \$30,000 | \$16,612 | \$0 | \$0 | \$0 |
| 2640 | Staff Services | \$59,308 | \$21,836 | \$10,415 | \$26,417 | \$639 | \$0 | \$0 | \$0 |
| 2660 | Technology Services | \$877,089 | \$0 | \$0 | \$134,854 | \$737,694 | \$0 | \$4,541 | \$0 |
| 2670 | Records Management Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2680 | Interpretation and Translation Services | \$665 | \$176 | \$64 | \$426 | \$0 | \$0 | \$0 | \$0 |
| 2690 | Other Support Services - Central | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2700 | Supplemental Retirement Program | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Support Services Expenditures | | \$9,098,353 | \$3,099,651 | \$2,017,358 | \$2,300,451 | \$1,436,143 | \$65,631 | \$179,119 | \$0 |
| Enterprise and Community Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 3100 | Food Services | \$3,224,518 | \$1,135,178 | \$1,149,588 | \$39,681 | \$896,894 | \$0 | \$3,178 | \$0 |
| 3200 | Other Enterprise Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3300 | Community Services | \$361,680 | \$81,550 | \$74,104 | \$163,328 | \$36,819 | \$0 | \$5,879 | \$0 |
| 3500 | Custody and Care of Children Services | \$1,057,583 | \$46,942 | \$18,302 | \$894,765 | \$1,275 | \$0 | \$0 | \$96,300 |
| Total Enterprise and Community Services Expenditures | | \$4,643,781 | \$1,263,668 | \$1,241,994 | \$1,097,773 | \$934,988 | \$0 | \$9,058 | \$96,300 |
| Facilities Acquisition and Construction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 4110 | Service Area Direction | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4120 | Site Acquisition and Development Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4150 | Building Acquisition, Construction, and Improvement Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4180 | Other Capital Items | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4190 | Other Facilities Construction Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Facilities Acquisition and Construction Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Uses Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 5100 | Debt Service | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5200 | Transfers of Funds | \$926,211 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$926,211 |
| 5300 | Apportionment of Funds by ESD | \$149,440 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$149,440 |
| 5400 | PERS UAL Bond Lump Sum | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Other Uses Expenditures | | \$1,075,651 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,075,650 |
| Grand Total | | \$23,855,301 | \$7,371,048 | \$5,211,969 | \$5,571,779 | \$3,875,505 | \$360,631 | \$292,418 | \$1,171,950 |

DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

Fund: 300 Debt Service Funds

| Instruction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
|---|---|---------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1111 | Elementary, K-5 or K-6 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1113 | Elementary Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1121 | Middle/Junior High Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1122 | Middle/Junior High School Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1131 | High School Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1132 | High School Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1140 | Pre-Kindergarten Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1210 | Programs for the Talented and Gifted | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1220 | Restrictive Programs for Students with Disabilities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1250 | Less Restrictive Programs for Students with Disabilities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1260 | Treatment and Habilitation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1271 | Remediation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1272 | Title I | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1280 | Alternative Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1291 | English Second Language Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1292 | Teen Parent Program | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1293 | Migrant Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1294 | Youth Corrections Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1299 | Other Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1300 | Adult/Continuing Education Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1400 | Summer School Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Instruction Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Support Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 2110 | Attendance and Social Work Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2120 | Guidance Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2130 | Health Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2140 | Psychological Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2150 | Speech Pathology and Audiology Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2160 | Other Student Treatment Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2190 | Service Direction, Student Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2210 | Improvement of Instruction Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2220 | Educational Media Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2230 | Assessment & Testing | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2240 | Instructional Staff Development | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2310 | Board of Education Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2320 | Executive Administration Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2410 | Office of the Principal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2490 | Other Support Services - School Administration | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2510 | Direction of Business Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2520 | Fiscal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2540 | Operation and Maintenance of Plant Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2550 | Student Transportation Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2570 | Internal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2610 | Direction of Central Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2620 | Planning, Research, Development, Evaluation Services, Grant Writing and Statistical S | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2630 | Information Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2640 | Staff Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2660 | Technology Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2670 | Records Management Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2680 | Interpretation and Translation Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2690 | Other Support Services - Central | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2700 | Supplemental Retirement Program | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Support Services Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Enterprise and Community Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 3100 | Food Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3200 | Other Enterprise Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3300 | Community Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3500 | Custody and Care of Children Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Enterprise and Community Services Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Facilities Acquisition and Construction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 4110 | Service Area Direction | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4120 | Site Acquisition and Development Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4150 | Building Acquisition, Construction, and Improvement Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4180 | Other Capital Items | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4190 | Other Facilities Construction Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Facilities Acquisition and Construction Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Uses Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 5100 | Debt Service | \$27,401,423 | \$0 | \$0 | \$0 | \$0 | \$0 | \$27,401,423 | \$0 |
| 5200 | Transfers of Funds | \$167 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$167 |
| 5300 | Apportionment of Funds by ESD | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5400 | PERS UAL Bond Lump Sum | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Other Uses Expenditures | | \$27,401,590 | \$0 | \$0 | \$0 | \$0 | \$0 | \$27,401,423 | \$167 |
| Grand Total | | \$27,401,590 | \$0 | \$0 | \$0 | \$0 | \$0 | \$27,401,423 | \$167 |

DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

Fund: 400 Capital Projects Funds

| Instruction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
|---|--|---------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1111 | Elementary, K-5 or K-6 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1113 | Elementary Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1121 | Middle/Junior High Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1122 | Middle/Junior High School Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1131 | High School Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1132 | High School Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1140 | Pre-Kindergarten Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1210 | Programs for the Talented and Gifted | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1220 | Restrictive Programs for Students with Disabilities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1250 | Less Restrictive Programs for Students with Disabilities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1260 | Treatment and Habilitation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1271 | Remediation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1272 | Title I | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1280 | Alternative Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1291 | English Second Language Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1292 | Teen Parent Program | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1293 | Migrant Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1294 | Youth Corrections Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1299 | Other Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1300 | Adult/Continuing Education Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1400 | Summer School Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Instruction Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Support Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 2110 | Attendance and Social Work Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2120 | Guidance Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2130 | Health Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2140 | Psychological Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2150 | Speech Pathology and Audiology Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2160 | Other Student Treatment Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2190 | Service Direction, Student Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2210 | Improvement of Instruction Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2220 | Educational Media Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2230 | Assessment & Testing | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2240 | Instructional Staff Development | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2310 | Board of Education Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2320 | Executive Administration Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2410 | Office of the Principal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2490 | Other Support Services - School Administration | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2510 | Direction of Business Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2520 | Fiscal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2540 | Operation and Maintenance of Plant Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2550 | Student Transportation Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2570 | Internal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2610 | Direction of Central Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2620 | Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Se | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2630 | Information Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2640 | Staff Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2660 | Technology Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2670 | Records Management Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2680 | Interpretation and Translation Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2690 | Other Support Services - Central | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2700 | Supplemental Retirement Program | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Support Services Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Enterprise and Community Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 3100 | Food Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3200 | Other Enterprise Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3300 | Community Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3500 | Custody and Care of Children Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Enterprise and Community Services Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Facilities Acquisition and Construction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 4110 | Service Area Direction | \$1,411,298 | \$355,461 | \$226,125 | \$877,477 | \$54,542 | \$0 | -\$102,306 | \$0 |
| 4120 | Site Acquisition and Development Services | \$4,289,974 | \$0 | \$0 | \$485,071 | \$0 | \$3,520,320 | \$284,583 | \$0 |
| 4150 | Building Acquisition, Construction, and Improvement Services | \$33,974,795 | \$0 | \$0 | \$6,563,583 | \$24,734 | \$26,348,179 | \$1,038,300 | \$0 |
| 4180 | Other Capital Items | \$91,985 | \$0 | \$0 | \$0 | \$40,006 | \$51,979 | \$0 | \$0 |
| 4190 | Other Facilities Construction Services | \$5,572,745 | \$93,059 | \$46,725 | \$0 | \$2,222,623 | \$3,210,338 | \$0 | \$0 |
| Total Facilities Acquisition and Construction Expenditures | | \$45,340,799 | \$448,519 | \$272,850 | \$7,926,130 | \$2,341,905 | \$33,130,816 | \$1,220,578 | \$0 |
| Other Uses Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 5100 | Debt Service | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5200 | Transfers of Funds | \$510,948 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$510,948 |
| 5300 | Apportionment of Funds by ESD | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5400 | PERS UAL Bond Lump Sum | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Other Uses Expenditures | | \$510,948 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$510,948 |
| Grand Total | | \$45,851,747 | \$448,519 | \$272,850 | \$7,926,130 | \$2,341,905 | \$33,130,816 | \$1,220,578 | \$510,948 |

DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

Fund: 600 Internal Service Funds

| Instruction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
|---|---|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1111 | Elementary, K-5 or K-6 | \$33,481 | \$0 | \$33,481 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1113 | Elementary Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1121 | Middle/Junior High Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1122 | Middle/Junior High School Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1131 | High School Programs | \$29,385 | \$0 | \$29,385 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1132 | High School Extracurricular | \$35,351 | \$0 | \$35,351 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1140 | Pre-Kindergarten Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1210 | Programs for the Talented and Gifted | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1220 | Restrictive Programs for Students with Disabilities | \$10,881 | \$0 | \$10,881 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1250 | Less Restrictive Programs for Students with Disabilities | \$17,937 | \$0 | \$17,937 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1260 | Treatment and Habilitation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1271 | Remediation | \$4,782 | \$0 | \$4,782 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1272 | Title I | \$5,154 | \$0 | \$5,154 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1280 | Alternative Education | \$126 | \$0 | \$126 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1291 | English Second Language Programs | \$1,529 | \$0 | \$1,529 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1292 | Teen Parent Program | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1293 | Migrant Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1294 | Youth Corrections Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1299 | Other Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1300 | Adult/Continuing Education Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1400 | Summer School Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Instruction Expenditures | | \$138,626 | \$0 | \$138,626 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Support Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 2110 | Attendance and Social Work Services | \$17,770 | \$0 | \$17,770 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2120 | Guidance Services | \$5,636 | \$0 | \$5,636 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2130 | Health Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2140 | Psychological Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2150 | Speech Pathology and Audiology Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2160 | Other Student Treatment Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2190 | Service Direction, Student Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2210 | Improvement of Instruction Services | \$127 | \$0 | \$127 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2220 | Educational Media Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2230 | Assessment & Testing | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2240 | Instructional Staff Development | \$16 | \$0 | \$16 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2310 | Board of Education Services | \$8,059 | \$0 | \$8,059 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2320 | Executive Administration Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2410 | Office of the Principal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2490 | Other Support Services - School Administration | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2510 | Direction of Business Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2520 | Fiscal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2540 | Operation and Maintenance of Plant Services | \$5,616 | \$0 | \$5,616 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2550 | Student Transportation Services | \$4,063 | \$0 | \$4,063 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2570 | Internal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2610 | Direction of Central Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2620 | Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Ser | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2630 | Information Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2640 | Staff Services | \$45,255 | \$0 | \$45,255 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2660 | Technology Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2670 | Records Management Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2680 | Interpretation and Translation Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2690 | Other Support Services - Central | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2700 | Supplemental Retirement Program | \$11,584 | \$0 | \$11,584 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Support Services Expenditures | | \$98,125 | \$0 | \$98,125 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Enterprise and Community Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 3100 | Food Services | \$1,819 | \$0 | \$1,819 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3200 | Other Enterprise Services | \$7,341 | \$0 | \$7,341 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3300 | Community Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3500 | Custody and Care of Children Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Enterprise and Community Services Expenditures | | \$9,160 | \$0 | \$9,160 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Facilities Acquisition and Construction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 4110 | Service Area Direction | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4120 | Site Acquisition and Development Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4150 | Building Acquisition, Construction, and Improvement Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4180 | Other Capital Items | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4190 | Other Facilities Construction Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Facilities Acquisition and Construction Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Uses Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 5100 | Debt Service | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5200 | Transfers of Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5300 | Apportionment of Funds by ESD | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5400 | PERS UAL Bond Lump Sum | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Other Uses Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Grand Total | | \$245,910 | \$0 | \$245,910 | \$0 | \$0 | \$0 | \$0 | \$0 |

DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

Fund: 700 Trust and Agency Funds

| Instruction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
|---|--|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1111 | Elementary, K-5 or K-6 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1113 | Elementary Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1121 | Middle/Junior High Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1122 | Middle/Junior High School Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1131 | High School Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1132 | High School Extracurricular | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1140 | Pre-Kindergarten Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1210 | Programs for the Talented and Gifted | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1220 | Restrictive Programs for Students with Disabilities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1250 | Less Restrictive Programs for Students with Disabilities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1260 | Treatment and Habilitation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1271 | Remediation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1272 | Title I | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1280 | Alternative Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1291 | English Second Language Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1292 | Teen Parent Program | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1293 | Migrant Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1294 | Youth Corrections Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1299 | Other Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1300 | Adult/Continuing Education Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1400 | Summer School Programs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Instruction Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Support Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 2110 | Attendance and Social Work Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2120 | Guidance Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2130 | Health Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2140 | Psychological Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2150 | Speech Pathology and Audiology Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2160 | Other Student Treatment Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2190 | Service Direction, Student Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2210 | Improvement of Instruction Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2220 | Educational Media Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2230 | Assessment & Testing | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2240 | Instructional Staff Development | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2310 | Board of Education Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2320 | Executive Administration Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2410 | Office of the Principal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2490 | Other Support Services - School Administration | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2510 | Direction of Business Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2520 | Fiscal Services | \$17,000 | \$0 | \$0 | \$17,000 | \$0 | \$0 | \$0 | \$0 |
| 2540 | Operation and Maintenance of Plant Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2550 | Student Transportation Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2570 | Internal Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2610 | Direction of Central Support Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2620 | Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Se | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2630 | Information Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2640 | Staff Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2660 | Technology Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2670 | Records Management Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2680 | Interpretation and Translation Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2690 | Other Support Services - Central | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2700 | Supplemental Retirement Program | \$860,396 | \$99,750 | \$760,646 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Support Services Expenditures | | \$877,396 | \$99,750 | \$760,646 | \$17,000 | \$0 | \$0 | \$0 | \$0 |
| Enterprise and Community Services Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 3100 | Food Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3200 | Other Enterprise Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3300 | Community Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 3500 | Custody and Care of Children Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Enterprise and Community Services Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Facilities Acquisition and Construction Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 4110 | Service Area Direction | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4120 | Site Acquisition and Development Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4150 | Building Acquisition, Construction, and Improvement Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4180 | Other Capital Items | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 4190 | Other Facilities Construction Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Facilities Acquisition and Construction Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Uses Expenditures | | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| 5100 | Debt Service | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5200 | Transfers of Funds | \$5,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$5,000 |
| 5300 | Apportionment of Funds by ESD | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5400 | PERS UAL Bond Lump Sum | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Other Uses Expenditures | | \$5,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$5,000 |
| Grand Total | | \$882,396 | \$99,750 | \$760,646 | \$17,000 | \$0 | \$0 | \$0 | \$5,000 |

This Page Left Intentionally Blank

Audit Comments and Disclosures Required by State Regulations

This Page Left Intentionally Blank



PAULY, ROGERS AND Co., P.C.
12700 SW 72nd Ave. ♦ Tigard, OR 97223
(503) 620-2632 ♦ (503) 684-7523 FAX
www.paulyrogersandcocpas.com

December 22, 2021

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Tigard-Tualatin School District No. 23J as of and for the year ended June 30, 2021, and have issued our report thereon dated December 22, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**

In connection with our testing nothing came to our attention that caused us to believe the Tigard-Tualatin School District No. 23J was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

This report is intended solely for the information and use of the Board of Directors and management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Tara M Kamp, CPA
PAULY, ROGERS AND CO., P.C.

GRANT COMPLIANCE



PAULY, ROGERS, AND Co., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

December 22, 2021

To the Board of Directors
Tigard-Tualatin School District No. 23J
Washington County, Oregon

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tigard-Tualatin School District No. 23J as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Tara M Kamp, CPA
PAULY, ROGERS AND CO., P.C.



PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.pauilyrogersandcocpas.com

December 22, 2021

To the Board of Directors
Tigard-Tualatin School District No. 23J
Washington County, Oregon

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Report on Compliance for Each Major Federal Program

We have audited Tigard-Tualatin School District No. 23J's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2021. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of compliance.

Opinion on Each Major Federal Program

In our opinion, Tigard-Tualatin School District No. 23J complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Tara M Kamp, CPA
PAULY, ROGERS AND CO., P.C.

TIGARD-TUALATIN SCHOOL DISTRICT NO. 23J
WASHINGTON COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(s) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Any GAGAS audit findings disclosed that are required to be reported in accordance with section 515(d)(2) of the Uniform Guidance? yes no

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiency(s) identified that are not considered to be material weaknesses? yes none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 200.516(a) of the Uniform Guidance? yes no

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER

NAME OF FEDERAL PROGRAM CLUSTER

| | |
|----------------|--|
| 84.027, 84.173 | IDEA |
| 84.425 | Elementary and Secondary Education Emergency Relief Fund |
| 21.019 | Coronavirus Relief Fund |

TIGARD-TUALATIN SCHOOL DISTRICT NO. 23J
WASHINGTON COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2021

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee?

yes

no

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL EXPENDITURES

1. **BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes federal grant activity under programs of the federal government. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the entity.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The entity has not elected to use the ten percent de minimus indirect cost rate as allowed under Uniform Guidance, due to the fact that they already have a negotiated indirect cost rate with Oregon Department of Education, and thus is not allowed to use the de minimus rate.

The End